Our Company intends to retain its undisputed leadership in India's power transmission and distribution sectors

Adani Transmission Limited

Integrated Annual Report 2021-22

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Highlights of FY 21-22

Revenues

11,258 ₹ Crore

Net fixed assets

33,638 ₹ Crore

PAT

1,236 ₹ Crore

Forward-looking statement

At Adani Transmission Limited (ATL), we began our integrated reporting <IR> journey in FY 18-19 in an endeavour to provide transparent and holistic communication to our stake holders. This is our fourth Integrated Report in which we continue to demonstrate how ATL creates long-term value for its stakeholders. Through this Report, the Company has disclosed its financial and non-financial performance of FY 21-22 with information on governance, strategy, performance and outlook. The key non-financial aspects comprise the Company's operations and Environmental, Social and Governance(ESG) performance.

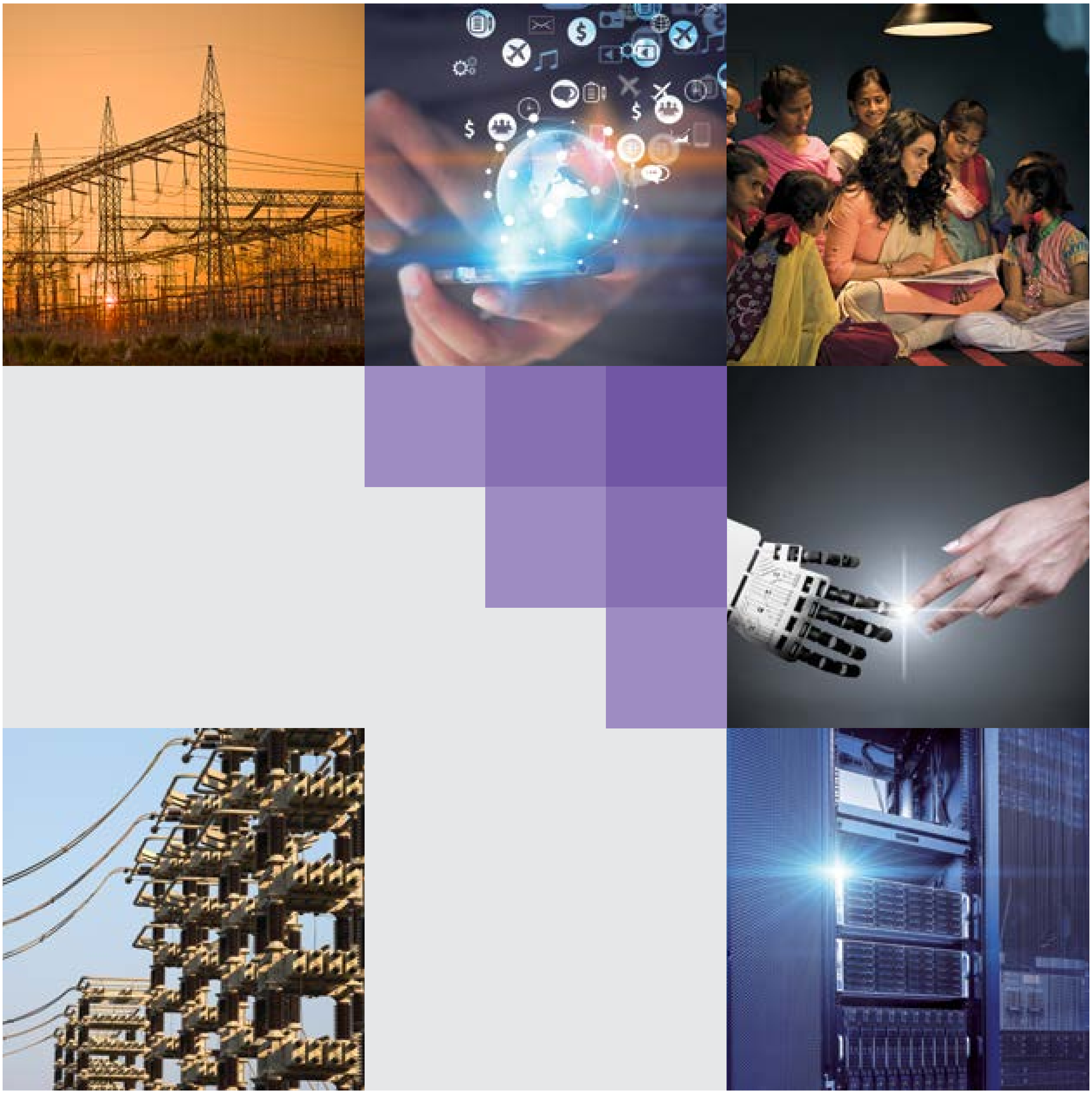
The statutory section of the report is an account of the financial, risk and capital management disclosures supported by annual financial performance of material subsidiaries and consolidated structured entities. The ESG section provides information regarding stakeholder relationships, material matters, risks & opportunities, and forward-looking strategy.

Adani Transmission Limited is at an inflection point in its existence.

The transmission side of its business faces a multi-year growth journey on account of India's growing need to connect new renewable energy generation sites with the national power grid.

The distribution side of its business faces impending reform in the country's electricity sector. This reform is expected to privatise public utilities, an unprecedented opportunity.

The combination of these two realities has opened up a multi-year growth runway for India's largest private sector transmission and distribution company.



Our priorities that are expected to contribute to our sustained leadership

- Retain our position as India's largest private integrated smart energy service provider and infrastructure company
- Become a fully digital utility marked by agility and adaptability
- Enhance process efficiencies leading to customer satisfaction
- Enhance sustainability through technology-led innovation and excellence
- Contribute to 'greening the grid'

CORPORATE SNAPSHOT

Adani Transmission Limited.

The fastest growing and the largest private transmission & distribution company in India.

Not just leading the sector but redefining it.

Our distinctive culture

Passion: Performing with enthusiasm and energy

Results: Consistently achieving goals

Integration: Working across functions and businesses to create synergies

Dedication: Working with commitment in the pursuit of our aims

Entrepreneurship: Seizing new opportunities with initiatives and ownership

Our business

The Adani Group forayed into the power transmission sector in 2006, ahead of the time when Adani Transmission Limited (ATL) was formally conceived. This service helped evacuate power from Adani's Mundra thermal power plant. In 2013, Adani Transmission was commissioned to oversee the launch, operations and maintenance of electric power transmission systems. ATL is now a holding company with a portfolio of around ~18,795 ckm of transmission lines and 40,001 MVA of power transformation capacity from 132 to 765 kilovolts of HVAC systems and +/- 500 kilovolts of HVDC system.

Our footprint

ATL is the largest private sector power transmission and distribution company in India. Its headquarters are located in Ahmedabad and the Company is present across 13 states of India. ATL owns and operates various high voltage AC transmission lines and substations of 132kV, 220kV, 400kV and 765kV voltage level along with High Voltage DC transmission lines and substations of +/- 500kV voltage level. ATL had ~14,279 ckm of operational transmission lines and around 20,765 MVA of power transformation capacity with an under-construction portfolio of ~4516 ckm and 19,236 MVA power transformation capacity as on 31st March 2022.

The Company caters to more than 12 Mn consumers through its distribution business in Mumbai, the financial capital of India, and through Mundra, a census town situated in Gujarat. During the year under review, ATL acquired MPSEZ Utilities Limited (MUL), which is engaged in electric power distribution and common effluent treatment plants comprising 148 ckm of distribution network. MUL distributed about 371 MUs (Mn units) with moderate distribution losses of 3.21% coupled with a medium-term power purchase arrangement.

Our subsidiaries

- Adani Transmission (India) Limited (ATIL)
- Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL)
- Sipat Transmission Limited (STL)
- Raipur-Rajnandgaon-Warora Transmission Limited (RRWTL)
- Chhattisgarh-WR Transmission Limited (CWRTL)
- Adani Transmission (Rajasthan) Limited (ATRL)
- North Karanpura Transco Limited (NKTL)
- Maru Transmission Service Company Limited (MTSCL)
- Aravali Transmission Service Company Limited (ATSCL)
- Hadoti Power Transmission Service Limited (HPTSL)
- Barmer Power Transmission Service Limited (BPTSL)
- Thar Power Transmission Service Limited (TPTSL)
- Western Transco Power Limited (WTPL)
- Western Transmission (Gujarat) Limited (WTGL)
- Fatehgarh-Bhadla Transmission Limited (FBTL)
- Ghatampur Transmission Limited (GTL)
- Adani Electricity Mumbai Limited (AEML)
- AEML Infrastructure Limited (AEML Infra)
- OBRA-C Badaun Transmission Limited (OBTL)
- Adani Transmission Bikaner Sikar Private Limited
- WRSS XXI (A) Transco Limited (WRSS XXI (A))
- Bikaner Khetri Transco Limited (BKTL)
- Lakadia Banaskantha Transco Limited (LBTL)
- Jamkhambhaliya Transco Limited (JKTL)
- Arasan Infra Private Limited (AIPL)
- Sunrays Infra Space Private Limited (SISPL)
- Power Distribution Services Limited
- Adani Electricity Mumbai Infra Limited (100% subsidiary of AEML) (AEMIL)
- Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited) (KVTL)
- Alipurduar Transmission Limited (ALTL)
- AEML SEEPZ Limited (100% subsidiary of AEML) (ASL)
- Adani Transmission Step One Limited (ATSOL)
- Warora Kurnool Transmission Limited (WKTL)
- ATL HVDC Limited
- MP Power Transmission Package-II Limited
- MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)
- Karur Transmission Limited
- Khavda-Bhuj Transmission Limited

Our objective

ATL addresses the vast headroom in India's transmission sector, with the objective to possess 30,000 ckm transmission assets and achieve distribution meeting 4.5 MVA per customer by 2026. The Company aims for sustained network availability in line with the highest global standards.

Human resource

The human capital at Adani Transmission Limited comprised 11,178 employees as of 31st March 2022, with an addition of 149 employees during FY 21-22 and 24% of employees accounting for engineers and professionals. The average employee age was 43 years. The share of employees retained by ATL in FY 21-22 stood at 93.90%, with ~87% employees working in the Company for more than five years.

Credit rating

International - Obligor Group

- Fitch provided a credit rating of BBB-/ Negative on the Dollar bond.
- S&P provided a credit rating of BBB- on the US Dollar bond.
- Moody's provided a credit rating of Baa3/ stable on the US Dollar bond

International – US Private Placement

- Fitch provided a credit rating of BBB-/ Negative on the US Dollar bond, with an underlying rating of BBB.
- Moody's provided a credit rating of Baa3/ Stable on the US Dollar bond

International - AEML

- Fitch provided a credit rating of BBB-/ Negative on the Dollar bond.
- S&P provided a credit rating of BBB-/ Stable on the dollar bond.
- Moody's provided a credit rating of Baa3/ Stable on the Dollar bond.

Domestic

- India Ratings provided a credit rating of Ind AA+/ Stable

Acquisitions

ATL signed a share purchase agreement with Adani Ports and Special Economic Zone to acquire MUL for a consideration of ₹116.27 Crore. MUL's standalone revenues were ₹203.31 Crore during FY 20-21; as power load in the distribution area grows, following the accretion of industrial and commercial activities, MUL's operations are expected to enlarge. ATL strengthened its competitive position following the acquisition of MUL. The management of ATL is optimistic of synergies expected to emerge from the acquisition.

Corporate social responsibility

ATL undertakes community development projects through Adani Foundation. The Company provides opportunities to marginalised communities, covering 2,409 villages and 16 states. ATL reported a CSR expenditure of ₹0.26 Crore on a standalone basis and ₹25.70 Crore on an overall consolidated basis in FY 21-22, encompassing education, sustainable livelihoods, health care and rural infrastructure. The Company executed four projects (Saksham, Swachhagraha, SuPoshan and Udaan).

Financial review, FY 21-22

88
% CAGR growth in market capitalisation from FY 17-18 to FY 21-22

~17
% EBITDA CAGR from FY 17-18 to FY 21-22

74
% Dollarised debt (fully hedged) in FY 21-22 from 38% in FY 17-18

81
% debt maturity of more than 5 years in FY 21-22 from 31% in FY 17-18

Awards and accolades

Adani Transmission awards

- Greentech Energy Conservation Award 2021
- National CSR awards 2021 for Best Sustainability CSR report
- National CSR awards 2021 - Best COVID-19 solution for workforce management
- CII operation sustainability 2021 - Platinum winner - Economic sustainability category
- CII operation sustainability 2021 - Gold winner - Economic sustainability category
- CII operation sustainability 2021 - Silver winner - Environmental sustainability category
- International Achievers Conference 2021 - Fastest growing Indian company
- Greentech Transformative Human Resource Award 2021 under Employee Engagement category
- Par Excellence and Excellent Award at 46th International Convention for Quality Control Circle 2021 (ICQCC 2021)
- CII-National Office Innovation Competition 2021 for process flow improvement / Makigami category
- Greentech Corporate Governance Award 2021 for Excellence in Corporate Governance category
- CII Conference on Smart Metering Achieving 100 Mn Smart Meters by 2023
- The Asset Triple A Sustainable Infrastructure Awards 2022
- Most Innovative Deal of the Year: Adani Transmission Limited for US$ 700 Mn syndicated project finance facility
- Project Finance International's (PFI) Asia Pacific Indian Deal of The Year Award for US$ 700 Mn revolving facility

Technical papers

CIGRE India journal

Improving transient performance of transmission lines (paper published in CIGRE India journal, volume 11, January 2022)

CIGRE Paris session 2022

Health indexing and reliability assessment of EHV SF_6 circuit breaker (paper selected in CIGRE Paris Session 2022)

Utility experience of real time monitoring of 765kv circuit breaker and reactor using advanced sensors and cloud-based asset performance management (paper selected in CIGRE Paris Session 2022)

Detection of power swing on evacuating transmission line and mitigation by adaptive logic at generator (Synopsis Submission)

Unmanned EHV grid substations with centralised - real time - remote operation, control & monitoring. (Synopsis Submission)

Comprehensive analysis, diagnosis & early corrective actions for internal anomalies of large transformer (Synopsis Submission)

Innovative technique to arrest Hydrogen leakage through generator stator bar - without stator bar removal (Synopsis Submission)

Utility experience in COVID times - presented at the centenary session of CIGRE Paris 2021 CIGRE (Centenary Session)

NERLDC (North Eastern Regional Load Dispatch Centre)

Experience of installation, commissioning and operation of the solar power plant (session speaker)

ERLDC (Eastern Regional Load Dispatch Centre)

Transmission challenges and solution (Session speaker)

Inventicon Business Intelligence

Usage of AI/ ML and IIOT in Asset management at the 5th Annual Asset Integrity & Maintenance Summit (Session Speaker)

AEML awards

- IMC Ramkrishna Bajaj National Quality Performance Excellence Award 2021 in service category
- Mint-Technical Business Transformation Symposium & Awards 2021 - Leaders in Business Transformation Award
- IDC Future Enterprise Awards 2021 - Future Enterprise of the Year
- IDC Future Enterprise Awards 2021 - Special award for digital resilience
- National Energy Leader from CII 2021
- National Award for Excellence in Energy Management 2021
- Certificate of Excellence in 16th State Level Energy Conservation Award 2021 from MEDA
- ADTPS (Adani Dahanu Thermal Power Station) won Apex India CSR Excellence Award 2020 - Livelihood creation in the Gold category
- ADTPS teams received the Gold category award in Quality Circle Forum of India at regional level competitions by QCFI, Ankleshwar
- ADTPS teams received Silver category award in Quality Circle Forum of India at regional level competitions arranged by QCFI, Ankleshwar
- ADTPS team received Par Excellence Award in Quality Circle Forum of India at national level competitions arranged by QCFI, Coimbatore
- ADTPS team received Excellence award in Quality Circle Forum of India at national level competitions arranged by QCFI, Coimbatore
- One-week virtual paper presentation sessions was arranged with Rajiv Gandhi Institute of Technology for all India college faculties on energy management systems, audit & case studies (six presentations)
- Paper was presented on condition monitoring, best practices and case studies for 12 colleges (12 presentations was during the year)
- One-day paper presentation to TuV, Mumbai, on Energy Management System for 12 auditors of TuV (four presentations given)
- One-day paper presentation to BVIT, Mumbai, on Energy Management System for 12 auditors of TuV (four presentations given)

Operational highlights, FY 21-22

11,258
₹ Crore, revenue from operations

33,638
₹ Crore, fixed asset base

4,659
₹ Crore, operational EBITDA

~14,279
ckm, operational transmission line length

20,765
Operational MVA, power transformation capacity

99.70
%, Transmission system availability, (YTD till March 2022)

99.99
%, AEML distribution supply reliability (Average service availability index)

99.99
%, MUL distribution supply reliability (Average service availability index)

Our journey over the years

2006

- Developed the 220KV transmission line for Mundra Thermal Power Station

2009

- Commissioned the first 400 kV transmission line (Mundra-Dehgam transmission line)

2010

- Commissioned FSC (Fixed series capacitor) at Sami S/S to support the evacuation system

2011

- Commissioned the 400KV Mahendragarh-Bhiwani transmission line
- Commissioned the 400KV Mahendragarh-Dhanoda transmission line

2012

- Commissioned first HVDC transmission line (+ 500 KV Mundra-Mahendragarh transmission line)
- Commissioned 400 kV Tiroda-Warora transmission line
- Completed of 400KV Kawai-Chhabra transmission line as an EPC contract

2013

- Conversion of Mundra system into ISTS (Inter-state transmission system) as a license company

2014

- Commissioned the first 765 kV transmission line (Tiroda-Aurangabad transmission line)

2015

- De-merger of Adani Transmission Limited (ATL) from Adani Enterprises Limited (AEL)
- Listing of ATL on the BSE and NSE Stock Exchanges
- Received award of STL (Sipat Transmission Ltd.), RRWTL (Raipur-Rajnandgaon-Warora Transmission Ltd.) and CWRTL Chhattisgarh-WR Transmission Ltd. projects

2016

- Received award of the ATRL project
- Received award of NKTL (North Karanpura Transco Ltd.) project
- Acquisition of GMR assets (MTSCL (Maru Transmission Service Company Limited) and ATSCL (Aravali Transmission Service Company Ltd.))
- Completion of 400KV Mundra-Zerda transmission line as an EPC contract

Calender Year

2017

- Received award of Public-Private Partnership (PPP) 8, 9 and 10 projects
- Acquisition of Reliance Infrastructure Limited's assets (WTGL (Western Transmission (Gujarat Ltd.) and WTPL (Western Transmission Power Ltd.))

2018

- Received award of FBTL (Fatehgarh-Bhadla Transmission Limited), GTL (Ghatampur Transmission Limited) and OCBTL (Obra-C Badaun Transmission Limited) project
- Acquisition of Reliance Infrastructure Limited's Power Generation, Transmission & Distribution Business in Mumbai
- Commissioned ATRL (Adani Transmission (Rajasthan) Ltd.) Project

2019

- Received award of LoI for KVTL (Kharghar Vikhroli Transmission Limited)
- Received award of LoI for LBTL (Lakadia Banaskantha Transco Limited) and JKTL (Jam Khambaliya Transco Limited)
- Received award of LoI for BKTL (Bikaner - Khetri Transmission Limited) and WTL (WRSS XXI (A) Transco Limited)
- Commissioned three intra-state transmission projects in Rajasthan - PPP 8, 9 and 10
- Commissioned the STL and RRWTL projects
- Acquisition of KEC asset (Adani Transmission Bikaner Sikar Private Limited)

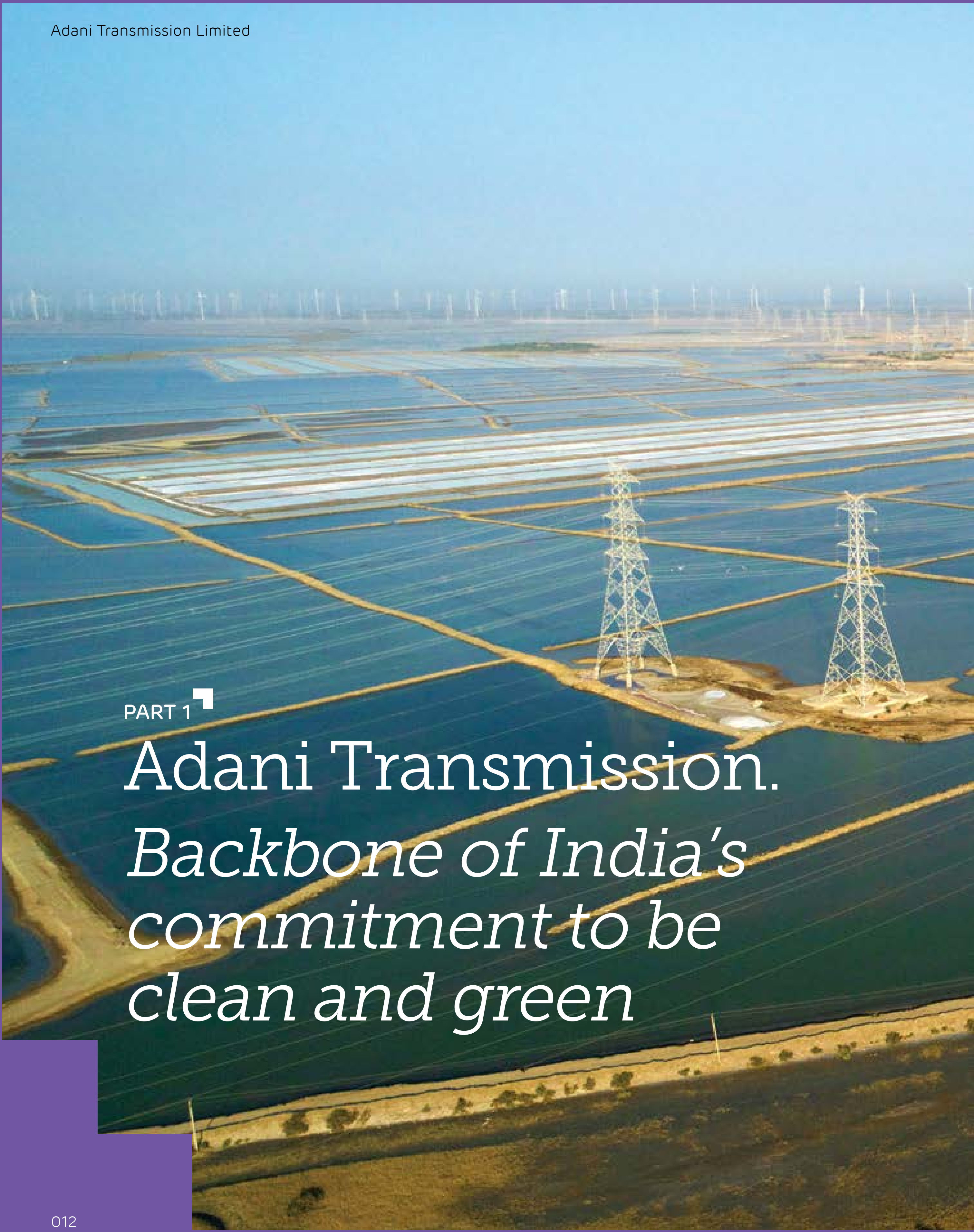
2020

- Acquisition of Alipurduar Transmission Limited from KPTL (Kalapataru Power Transmission Limited)
- Acquisition of KVTL from Maharashtra State Electricity Transmission Company Ltd

2021

- Acquisition of Warora Kurnool Transmission Limited from Essel Infraprojects Ltd
- Commissioned Fatehgarh Bhadla Transmission Limited
- Commissioned Bikaner Khetri Transmission Limited
- Received LoI for MP Power Transmission Package II Limited
- Commissioned Ghatampur Transmission Limited (among India's largest intra state transmission lines)
- Received LoI for Khavda Khavda-Bhuj Transmission Limited
- Received LoI for Karur Transmission Limited
- Acquisition of MUL (MPSEZ Utilities Ltd) from APSEZ

Calender Year



PART 1

Adani Transmission.

Backbone of India's commitment to be clean and green

INTRODUCTION

The Adani Transmission success story is dovetailed with India's reinvention story.

THIS IS WHERE IT STARTS.

India made five commitments at the COP26 in 2021.

India would take its non-fossil energy capacity to 500 GW by 2030.

India would meet 50% of its energy requirements from renewable energy by 2030.

India would reduce its total carbon emissions by one bn tons from 2021 to 2030.

India would reduce the carbon intensity of its economy by more than 45%.

India would achieve its net zero target by 2070.

INTRODUCTION

Adani Transmission is facilitating the reinvention of electricity from legacy to clean – possibly the most powerful development in the world

The transition from legacy fuels to clean energy represents one of the largest opportunities for the Indian transmission sector in decades

Overview

There was a time when the power transmission sector was seen as a marginally growing one with nominal investor interest.

There were a number of reasons for this.

Once commissioned, the power transmission line was seen as a multi-decade fixture that did not need building upon.

Since the power generation nodes in the country had been established and power evacuated from that location to consuming markets, there appeared no reason to build anew.

The only growth potential emerged when new power generating capacities were commissioned in greenfield locations, warranting the laying of new transmission lines or when transmission line capacities needed to be upgraded.

As India industrialised and most transmission network gaps were progressively plugged, the headroom in the sector was consumed.

Then something happened.

Renewable energy (solar and wind) achieved grid parity. They became more competitive than conventional power.

This single development completely re-drew India's transmission network map for an interesting reason. Solar or wind energy could be generated across a larger number of locations than conventional energy forms – literally hundreds. Solar parks began to emerge in locations that could never have been imagined would generate power from a conventional perspective.

To evacuate this power, India now needed new transmission lines. This is not where the story ended. India announced its intention to commission one of the largest renewable energy capacities in the world by 2030, backed by a long-term policy.

The combination of scope and scale infused a new breath of life in India's power transmission sector.

Suddenly, a sector that generated negligible year-on-year growth was now positioned at the cusp of an unprecedented opportunity.

Despite having been in existence for a century, the sector was now being described with a new word that fired the imagination of a range of stakeholders.

The word was 'Sunrise'.

INSIGHT

The 'R' (Renewables) word is deeply entrenched in the power consumer's psyche. The 'E' word is the lesser known – but no less critical – complement that makes clean energy a reality

Overview

The effectiveness of the renewable energy revolution sweeping through the world and India is being empowered by the capacity to Evacuate power (the 'E' word).

This capacity is influenced by the location of the transmission lines, their capacity and uptime.

The result is that the transmission lines that we see through the window of our railway compartment or car is not just passive infrastructure; it is an active 'electricity highway' transmitting power every second.

The capacity to commission entire power transmission networks warrants a deep understanding of terrain complexities, efficient network design, efficient materials procurement, commissioning within budget (cost and time) and ensuring that the transmission network reports a high uptime.

Rationale for business

Adani Transmission entered this business more than a decade ago with the objective of making a difference.

The Company was at the right place at the right time.

India was at the cusp of making a decisive change in its power generation intent – the replacement of conventional fuels with clean alternatives.

India was making a decisive change in its contractual engagement for new power transmission networks - a more market-driven competitive bidding environment over the conventional assignment basis.

India was in the process of announcing one of the largest renewable energy capacity increments anywhere in the world, creating a latent opportunity to build out an unprecedented transmission line capacity as well.


CHINA SHIPPING

India was beginning to recognise that the public sector capacity that had addressed the needs of the sector for decades would now no longer be adequate to address national needs; the space was widened to accept a new generation of private sector companies.

ATL responded to these realities through the enunciation of a vision to emerge as India's largest private sector transmission company. The Company has brought to the space the complement of vision, Balance Sheet integrity, management bandwidth and a digitalised mindset, a commitment of its seriousness to lead the space.

More specifically, Adani Transmission enunciated its commitment to develop renewable energy through the transmission of green power across regions and states - around 1686 ckm and 11,000 MVA transformation capacity being dedicated to the transmission of green power. Besides, the Company possesses solar generation capacity of 3.362 MWp for substation auxiliary power compensation, as a green power.

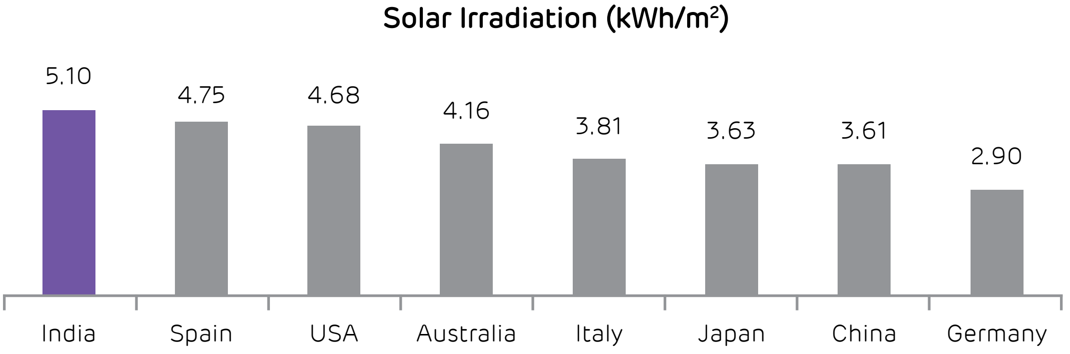
This commitment to clean energy comes on the back of the decision of Adani Green Energy Limited, an Adani Group company, intending to emerge as the world's largest private sector solar generation company by 2025 and the world's largest private sector renewable energy company by 2030. Besides, Adani Transmission Limited's distribution business intends to access and supply 30% of Mumbai's needs with renewable energy by 2023.

At ATL, we see our sector at the bottom end of a long solar energy J-curve

India's competitive advantage indicates a long-term competitive advantage for the solar energy sector.

The advantage to the solar sector, in turn, provides the country's transmission sector with a long-term growth platform.

The result is that solar accounts for less than 4% of India's electricity generation, and coal close to 70%. By 2040, they converge in the low 30%, underlined by the solar's competitiveness, which out-competes existing coal-fired power by 2030 even when paired with battery storage.



Source: Modor Intelligence

ANALYSIS

Why we are optimistic not only on the transmission side, but also about India's entire energy and electricity sectors

Overview

What for decades was seen as a mature Indian electricity market, marked by only nominal demand increment in line with population growth and lifestyle evolution, has suddenly emerged as one of the most attractive sectors.

The excitement in India's energy sector is the result of various concurrent changes.

One, there has been a growth in India's renewable energy space – in terms of actual energy generated and under-construction projects that are expected to transform the country's energy mix.

Two, natural gas is graduating from a localised to a national fuel, widening choice for consumers.

Three, India is transitioning towards a higher ethanol blend in its petrol, moderating imports and pollution.

India's electricity sector - generation, transmission and distribution - is distinctive for various reasons that have been outlined in the following segments.

Global macro

Consumption growth: Global electricity consumption increased faster than global population, strengthening an increase in the per capita electricity consumption (Source: International Energy Statistics).

Electricity preference: Global electricity consumption increased faster than energy consumption. Between 1980 and 2019, the world's annual electricity consumption rose from 7300 TWh to 23,900 TWh. During the twenty first century, after falling by about 1% in 2020 due to the impact of the COVID-19 pandemic, global electricity demand is set to grow by close to 5% in 2021 and 4% in 2022, 120 bps higher than average annual growth of energy consumption. By 2040 global energy consumption could reach 740 Mn TJ - equivalent to an additional 30% growth. (Source: Statista, IEA, The World Counts)

Indian macro

Economic growth: India is the world's sixth largest economy that is expected to emerge as the third largest by 2030. Besides, India's economic size of around US$ 3 trn is likely to grow to US$ 5 trn by the end of this decade. These twin realities indicate the backbone of India's economic growth would be a more abundant electricity supply.

Consumption outlook: India will be the main driver of rising demand for energy over the next two decades, accounting for 25% of global growth, set to overtake the European Union as the world's third-biggest energy consumer by 2030. As India develops and modernises, its rate of energy demand growth is three times the global average. India's share of total global primary energy demand is set to increase from 6% to 11% by 2040

Consumption growth: India's power demand is expected to grow at 6.5% per year between 2022 and 2024; India reported the highest 10% Y-o-Y growth in power demand during the 2021 calendar year (CY), sharing the position with China. (Source: International Energy Agency).

Unique: India is possibly the only instance of a country that is third largest global electricity consumer and yet under-consumed (less than 1500 kwh consumption per capita), which makes it mature on the one hand and 'immature' on the other, indicating that despite the growth of the decades, the country is still at the bottom end of a long J-curve.

Supply created demand: We believe that with the coming of renewable energy and without an immediate decline in thermal energy capacity, there will be an increased supply across the country. Supply could generate additional demand, a virtuous cycle.

Investment: The Indian power sector is likely to attract investments worth US$ 128.24-135.37 Bn between FY 19-23. By 2029-30, the country's power generation installed capacity would be close to 817 GW, of which ~64% would be from non-fossil fuels (solar, wind, biomass, hydro and nuclear) and ~36% from fossil fuel sources (coal + lignite, Gas). The FDI in India's renewable energy sector stood at a sizable US$ 1.03 Bn for the first half of the financial year (FY) 21-22.

Government support

Policies: The Indian government announced a range of policies encouraging the role of renewable energy in the country's electricity mix. The government permitted 100% FDI in the renewable energy, electricity, power generation and distribution sectors. This is resulting in unprecedented capacity creation, which could drive demand for the power transmission sector.

Power for All: India linked all villages to 24x7 electricity in 2020, which sets the foundation for increased consumption. Schemes such as Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS) are expected to augment electrification across the country.

Budgetary allocation: In the Union Budget FY 22-23, the government allocated ₹19,500 Crore (US$ 2.57 Bn) for a PLI scheme to enhance the manufacturing of high-efficiency solar modules, which should have a trickle-down impact on the transmission sector.

Beyond target: The government is aiming to achieve 227 GW of renewable energy capacity (including 114 GW of solar capacity addition and 67 GW of wind power capacity) by 2022, which is more than its 175 GW target as per the Paris Agreement. 100% FDI allowed in the power sector has boosted FDI inflow in this sector.

Share: As per the National Infrastructure Pipeline 2019-25, energy sector projects accounted for the highest share (24%) out of the total expected capital expenditure of ₹111 Lakh Crore (US$ 1.4 Trn). Total FDI inflow in the power sector reached US$ 15.36 Bn between April 2000 and June 2021. (Source: IBEF)

Sectorial optimism

Under-consumption: In 2020, India consumed nearly 40% less electricity per capita than the US consumed in 1950 (1990 kWh), a trend that is likely to correct faster than ever. India reported the third largest increase in global primary energy consumption in 2021. (Source: International Energy Agency)

Replacement demand: India had around 456,716 ckm of transmission lines in the country, commissioned across the decades. There could be a periodic upgradation or replacement of these legacy lines with superior technology variants, strengthening prospects for the sector. (Source: Government of India, Ministry of Power)

Theory of compression: India's installed renewable energy capacity was 150.54 GW as on 28th December 2021. The country intends to install 500 GW of renewable energy capacity by 2030, indicating a perpetually increasing annual generation capacity rollout, coupled with transmission line complement. (Source: Ministry of New and Renewable Energy)

Investment appetite: To achieve its goal of 500 gigawatts of installed capacity of non-fossil-fuels-based energy projects by 2030, India requires about ₹1.5 Lakh Crore to ₹2 Lakh Crore investment every year. But over the last few years, the annual investment in the renewable energy sector was estimated at ₹75,000 Crore. An investment of about ₹17 Lakh Crore is required till 2030, which includes associated transmission costs. (Source: Ministry of New and Renewable Energy)

Consumer

Maturity mix: Nearly two-thirds of India is rural by population. This population sweep is as under-consumed as it is large. As incomes continue to rise across rural India, we believe that one of the first external manifestations will be in the form of higher electricity consumption

Demographics: India's annual population increment by quantum is expected to be the highest for years. Besides, India accounts for one of the youngest working group populations anywhere, a driver of sustained consumption and electricity consumption. The population of India in 2022 is close to 140 Crore, a 0.95% increase over 2021. (Source: Macro Trends)

Consumption engine: India is extensively under-consumed in the personal ownership of electricity-driven gadgets. As per capita incomes rise, the ownership of these gadgets is expected to increase.

Intensity: As our lifestyles evolve, there could be a greater intensity of electricity in our lives, starting from the use of smartphones to the increased need for artificial cooling, refrigeration and lighting. Virtually every consumer product launched is now power compatible. Besides, data centres represent a large power appetite on the industrial side.

The ATL overview

During the last decade, ATL made substantial investments in electricity transmission assets. The Company also acquired a distribution company servicing electricity consumer needs in India's financial capital (Mumbai).

Further, during the year under review, the Company strengthened its competitive position following the acquisition of MPSEZ Utilities Limited.

We see these investments strengthening the robustness of our business model, first mover's advantage, cash flows, credit rating, sectorial familiarity and terrain experience.

We also see headroom from another positive change: a shift in the government's position from an excessive dependence on public sector companies to grow the transmission sector to a point where projects are allocated based on bidding competitiveness. In India, following the right sizing of the last few years, the installed transmission capacity is almost equally distributed, the Government accounting for a little more than 50% and private players owning the rest but with the pace of private sector market share accretion being faster.

OPTIMISM

India's transmission and distribution segments are at a watershed moment

Overview

India's transmission and distribution sectors are at a watershed moment on account of the emergence of the renewable energy sector (and the consequent need for new transmission networks) and government reforms. There is a growing optimism related to the robust growth of the transmission and distribution segments of the electricity sector in India, catalysed by the decision of the Indian government to commission 500 GW of renewable energy by 2030.

Distribution reform

The country's reforms are extending to one of the last bastions – the distribution sector. This model is evident in India's Union Territories and likely to be extended to the country's urban locations, accelerating privatisation, efficiency and viability.

Under-investment now correcting

Traditionally, India's power generation capacity exceeded its transmission line capacity as the country grappled with power outages. In the 2012-2017 period, national generation capacity grew 64% while transmission capacity grew by a third. India's MVA/MW ratio was a mere 2.3x compared with 7.0x globally. There is a prospect that this imbalance will now correct. If it does, this could create a ₹8.2 Trn opportunity for the sector until the end of this decade as India's transmission line capacity of 456,716 ckm at the close of FY 21-22 grows to an estimated 828,000 ckm by 2034 (as per an internal study).

The import of this projected growth is that what the country grew in terms of transmission capacity across more than seventy years is expected to be more than replicated across the next 12 years, creating an unprecedented global opportunity.

Energy efficiency

There is a good reason for capacity growth or upgradation that extends beyond renewable capacity accretion. There is a greater premium on energy efficiency today than ever. The National Mission for Enhanced Energy Efficiency (NMEEE) aims to improve energy efficiency through policies. There is a need to moderate AT&C losses which are at about 20% as they represent resource waste. Integrated Power Development Scheme assists state distribution utilities in loss moderation with an incentive for higher T&D efficiency.

Greening the system

There is a global movement towards a low carbon world, placing a premium on the generation, transmission and distribution sectors to invest in modern technologies.

Private sector role

Private participation in the transmission segment still lags the generation segment, where private contribution has grown from 39% in fiscal 2015 to 47% in fiscal 2021.To service a large power generation installed base, the estimated investment in the transmission sector is expected to be ~₹3.5-4 Trn over the next five years. (Source: CRISIL)

TBCB-isation

India is moving from regulated transmission project allocation to TBCB (tariff based competitive bidding). This provides a fair and equitable playing field to private and public sector players and for competitive players to win projects in a transparent manner.

Mix of markets

There was a perception that given India's extensive variation in electricity per capita consumption, some markets would never be able to grow while others would be saturated. This perception is now evolving; nascent markets are at the cusp of consumption growth, presenting India with greenfield and brownfield opportunities.

SAARC opportunity

India is positioned to play a larger SAARC role, providing electricity to neighbouring countries. This will warrant additional investments in sub-continental transmission connectivity. (Source: Government of India, Ministry of Power)

Policy momentum

The Indian government's policy momentum continues, making it irreversible and independent of the nature of ruling parties. This had enhanced overall systemic confidence, attracting Indian and international lenders and equity partners.

Technology

India is not just investing in additional transmission networks; it is investing upgraded technologies. HVDC introduction transmits electricity across long distances with minimal losses. Utilities are installing capacitor banks and STATCOMs for reactive power management and improvement in the voltage profile. Digital substations based on process bus have reduced control cable use following fibre optic network deployment. Project developers are deploying LiDAR technology and drones for line construction; they are using thermovision cameras and android-based applications for superior operations and maintenance. The use of insulated cross-arm and new configurations in transmission lines is making networks greener. Digital technologies (specifically robotics, AI and virtual reality) are enhancing systemic efficiency. Data analytics accurately indicate load projections, generation planning and peak power management.

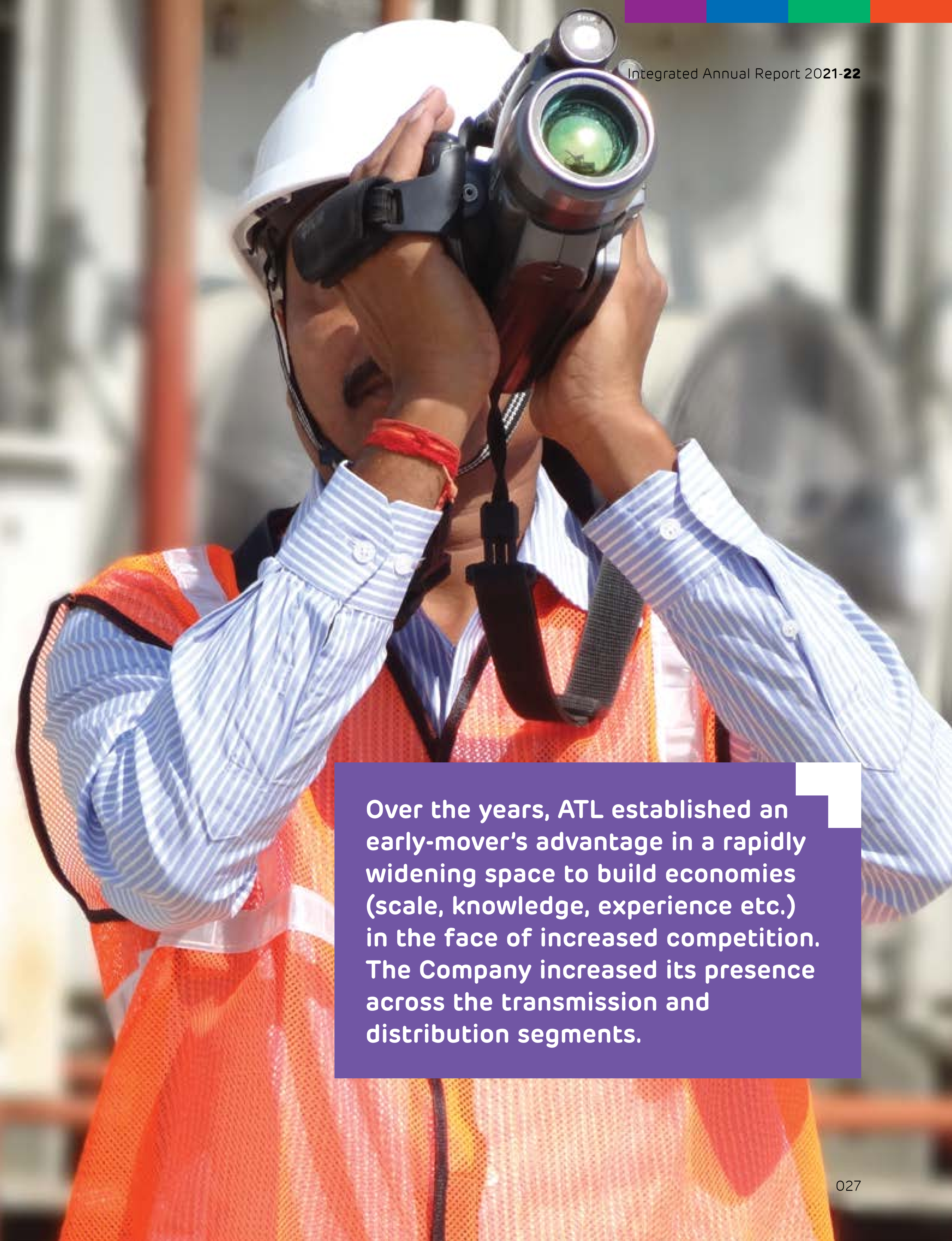
ATL is attractively placed

Over the years, ATL established an early-mover's advantage in a rapidly widening space to build economies (scale, knowledge, experience etc.) in the face of increased competition. The Company increased its presence across the transmission and distribution segments.

The Company's focus was reflected in its high margin business model (operational EBITDA margin ~92% for the transmission segment in FY 21-22) and low risk, largely insulated from changes in market cycles or risks of receivable defaults.

The Company trebled its transmission line capacity in the past five years, possibly the fastest percentage accretion to capacity (given similar scale) in the country's transmission sector. The Company reported an attractive 22% share of TBCB bids in India's transmission sector in FY 21-22, the highest in the country among private players. The Company believes that the country's transmission sector growth could widen acquisition opportunities, especially where competing transmission assets are being sub-optimally utilised or operated at costs higher than the prevailing norm.

Some of these realities extended to the distribution business as well. The acquisitions proved value-accretive through the effective leverage of Group strengths. The Company grew its business through long-term debt (matched with asset life in some cases that graduated the debt to quasi-equity). The Company replaced bank debt with bonds, strengthening interest cover; its capital management programme helped sustain robust assets into the long-term.



Over the years, ATL established an early-mover's advantage in a rapidly widening space to build economies (scale, knowledge, experience etc.) in the face of increased competition. The Company increased its presence across the transmission and distribution segments.

LOOKING AHEAD

India's Green Hydrogen ambition will ride its transmission network

Overview

Green hydrogen (GH2) is defined as hydrogen produced by splitting water into hydrogen and oxygen using renewable electricity. The Government of India notified the first phase of its Green Hydrogen Policy as a step forward toward the National Hydrogen Mission. The mission aims to make India a green hydrogen hub to address its climate change targets, producing five Mn metric Tons per annum (MMTPA) of green hydrogen by 2030.

Hydrogen and ammonia are futuristic fuels; the production of these fuels using renewable energy is a major sustainable energy security requirement that could substantially reduce fossil fuel imports. The produced hydrogen can be combined with nitrogen to make ammonia, minimising the use of hydrocarbons in production.

This Green Hydrogen Policy is relevant for a country that has pledged to become carbon-neutral by 2070.

Excitement

There is a sense of excitement in India's power transmission sector. This optimism is being derived for a development of monumental proportions.

India is at the start of a multi-decadal renewable energy, power transmission and storage super-cycle.

The aggregate opportunity of this development has been estimated at US$ 340 Bn across the value chain between FY 23 and FY 50.

The country's power transmission ecosystem is likely to be the earliest beneficiary of this GH2 cycle by at least three years, being the longest lead item in the value chain.

This transmission opportunity has been estimated at US$ 45-82 Bn, depending on 'storage-transmission' optimisation.

The GH2-driven transmission award is likely to begin by end FY 23E-24E to meet the government's FY 30E targets.

Cost efficiency

What is likely to make this development sustainable is that India is likely to deliver one of the lowest GH2 production costs globally, backed by low cost renewable energy, a significant Indian demand base that could lead to GH2 ecosystem development and economies of scale, a high cost of energy imports encouraging Indian solutions and India's ambition to achieve energy security.

Interestingly, the transmission sector is likely to be central to the GH2 development. When India commenced the addition of utility scale solar capacity from FY 13-14, it capitalised on a robust inter-regional transmission infrastructure, whereas this round will need fresh capacity building, prompting the start of a transmission capex cycle from FY 23-24.

The long-term prospects of this direction appear bright as India holds abundant potential to generate inexpensive renewable energy (and hence GH2) at a globally competitive cost.

India's large market for hydrogen (currently the third largest consumer with most of it imported) will catalyse GH2 purchase obligations on large industrial users.

SECTORAL SHIFT

There is a wind of refreshing change blowing through India's power distribution sector

Overview

There is fresh breeze beginning to blow across India's power distribution segment.

The sector is positioned at an attractive moment of reforms across the last mile that could enhance value in the hands of distribution companies and consumers. This will not come at a better time; most public sector power distribution companies are unprofitable; their cash flows are inadequate and impairing their capacity to reinvest.

In the recent past, outstanding discom dues to power generators crossed the ₹1 Trn mark. In the last quarter of FY 21-22, discom dues to power generators hit a 12-month high to reach ₹1,062.03 Bn (excluding disputed amounts). Around 18% of the outstanding discom dues (₹197.32 Bn) were towards renewable energy generators, which could potentially affect the green energy movement.

A sluggish economy in the past on account of the pandemic impacted discom revenues, which enhanced subsidy. The ACS (Average Cost of Supply)-ARR (Average Revenue Realised) gap of discoms increased from Re 0.28 per kWh to Re 0.41 per kWh over some quarters, indicating that revenues (based on tariff revision or loss reduction) had not kept pace with increased costs.

Under the Atmanirbhar Bharat Abhiyan, the central government announced plans to privatise power distribution in Union Territories and expand the privatisation footprint thereafter. When implemented, this could enhance liquidity, introduce cutting-edge technologies and facilitate a greater renewable energy exposure in our lives.

We believe that this traction towards distribution sector reforms is irreversible for some good reasons provided below.

Demanding consumers: The consumerorientation in society is now extending to the country's power distribution sectors as well, with power buyers demanding to be serviced better through digital interventions, enhancing convenience and a price-value proposition. We believe that this drives the biggest reform need in the country's power distribution sector.

Reforms: The Indian government initiated distribution sector reforms. This was done initially across Union Territories, facilitating the entry of private sector players, validating the case for privatisation.

Urbanisation: Around 35% of India lives in its urban clusters; nearly 40% of India is expected to be urban by 2030 (Source: Morgan Stanley). This puts a premium on the need to strengthen prospects of the country's power distribution sector.

Renewable: There is a growing traction from consumers to access renewable energy into their homes and offices. This calls for a strengthening of power distribution companies, warranting reform.

Consumer value: The world of passing cost increases to consumers is over. Conventional distribution companies will need to reinvent processes and discover cost inefficiencies from within, moderate their overheads and enhance the consumer price-value proposition.

'Intelligent': There is a large gap between the way a public utility is run in developed countries and in India. This is an irony when one considers that the gap on the renewable generation side is in India's favour where some renewable energy assets have set a global benchmark. The time has come for Indian utility companies to move to smart metering that ushers the digital utility revolution.

ATL and the power distribution sector opportunity

ATL acquired Reliance Infrastructure Limited's integrated generation, transmission and distribution utility in FY 18-19. This acquired company was renamed Adani Electricity Mumbai Limited (AEML). AEML's distribution network comprises 400 sq km, addressing the electricity needs of over 12 Mn+ consumers - from Bandra to Bhayandar on the western side and Sion to Mankhurd on the eastern side. Mumbai is among the 10 most prominent commerce hubs in the world, accounting for around 6% of India's real GDP and generating 4x per capita income of India. During the year under review, the Company acquired MPSEZ Utilities Limited, comprising a 148 ckm distribution network. The Company's distribution business (AEML and MUL) accounted for 62% of the Company's revenues in FY 21-22.

ATL: One of the most attractive companies in India's T&D sector

More than just a player; emerged as a sectoral proxy instead

Overview

Adani Transmission is not just a successful Indian T&D (Transmission & Distribution) player; it has emerged as a national benchmark, enhancing the perception of India's power infrastructure and power transmission segments.

Perception: ATL has helped evolve the perception of India's power transmission segment from a 'pensioner's sector' to one marked by outperformance, attracting a new breed of lenders and investors. ATL more than trebled transmission line capacity in the past five years, possibly the fastest capacity accretion in India's transmission sector.

Competitive: ATL is one of the most competitive transmission infrastructure companies in India, its cost per ckm among the lowest in the world and translating into market share leadership in a TBCB-based environment where the lowest tariff bidder is awarded projects. The Company increased its TBCB market share from 8% in FY 16-17 to 22% in FY 21-22.

Widening role: ATL redefined its personality from a pure transmission sector company to an integrated transmission and distribution company, one of its kind in India's power sector.

Margins: ATL delivered an operational EBITDA margin of ~92% in FY 21-22, possibly the highest in the country's transmission segment, a reality derived from a convergence of competitive advantages.

Valuation: ATL transformed the face of the sector through consistent outperformance, which translated into a sectorial re-rating; besides, the Company emerged as the most valuable in India's transmission and distribution sector.

Credit rating: ATL maintained Investment Grade (IG) rating for Transmission and Distribution company from an International Credit Rating perspective.

Long-termism: ATL reinvented the concept of debt tenures within India's power transmission sector when it introduced a 30-year paper, the first of its kind.

Market breadth: Following the entry of ATL and subsequent outperformance, industry players increased, which helped widen market breadth.

OPGW business: Adani Transmission forayed into the business of telecommunication infrastructure in FY 18-19 and engaged with major telecom service providers, internet service providers and multiple communication service operators. The passive infrastructure empowers communication providers in the creation of backbone networks, backhauls, technology augmentation and footprint expansion through optical ground wire fibers and tower space coupled with ATL's high voltage transmission links. The development of a state-wide overhead long haul through fiber shall create a network connecting business districts, towns, cities to actively collaborate and acknowledge the increasing need for data centre interconnectivity, new cable landing stations for enterprise solutions and a foothold for all service providers who belong to the communications domain. ATL entered into long-term lease arrangements with telecom operators, internet service providers etc. The carriers shall utilise ATL's fiber assets to roll out their voice and data network footprint in several regions (Rajasthan, Maharashtra, Haryana, U.P, Bihar, West Bengal, M.P. and Chhattisgarh). The 3,500 km network length leased to service providers has been developed for telecom carriers, neutral data providers, content players and multiple communication service operators.

ESG: ATL extended compliance beyond the statutory, reflected in a commitment to demanding ESG standards. ATL participated in Corporate Sustainability Assessment (CSA) conducted by S&P Global for 2021 and score 63/100, which was considerably better than average World Electric Utility score of 38/100.

Business excellence: ATL's commitment to the highest standards in global quality systems, certifications, benchmarking best practices and technologies made it a globally benchmarked company. Business sustainability and growth is

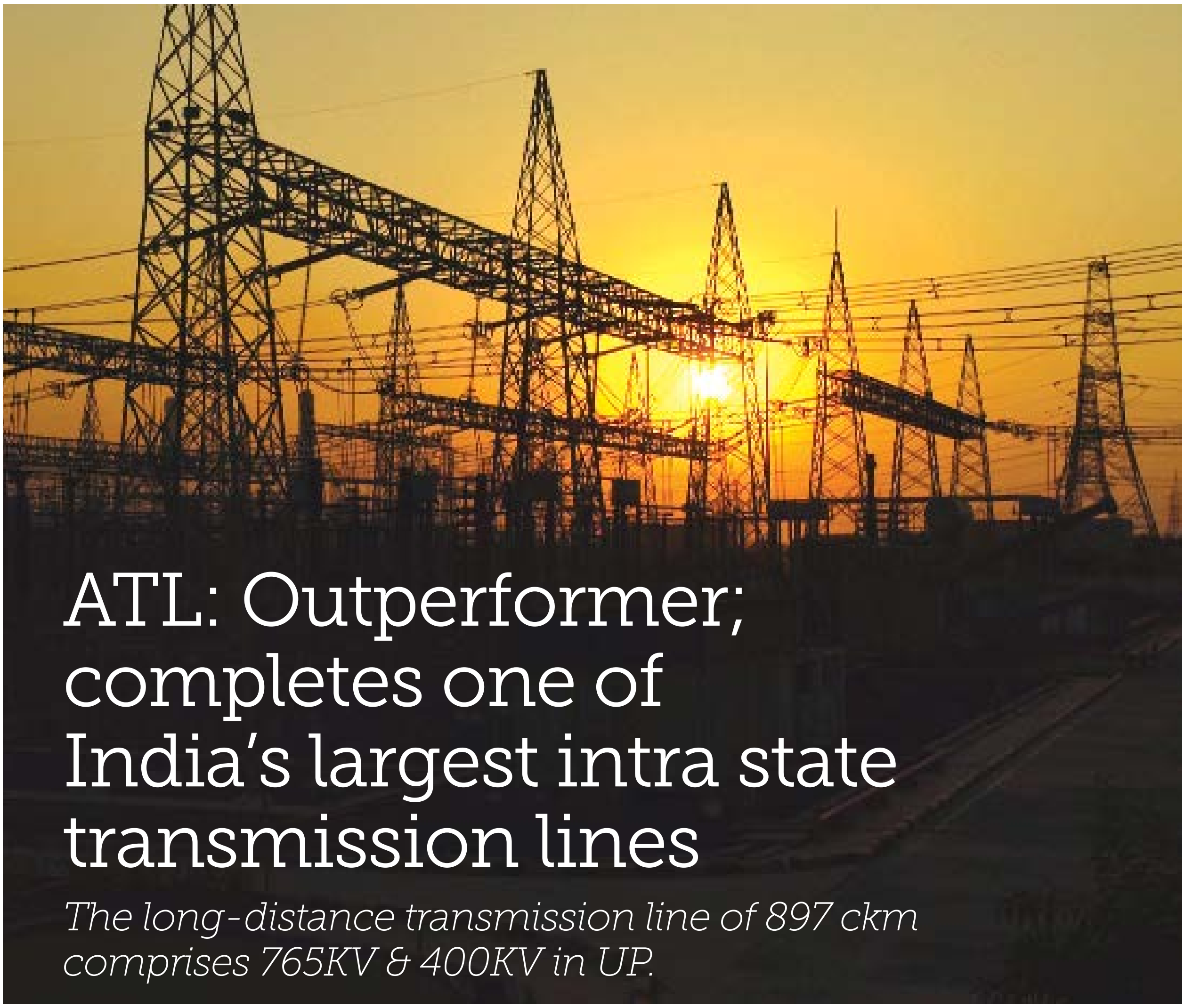
ensured through continual improvement initiatives such as OpEx (Operational Excellence) and BEx (Business Excellence) across the organisation. Employee engagement is key to success their; competence development is a priority.

Technologies: ATL introduced technologies for the first time in India and intends to deepen investments in unmanned sub-stations, drones, robotic arms and hot line maintenance. The success of the Company's technology orientation is the result of an energy technology and digitalisation approach that prioritises asset longevity, higher asset availability, cost efficiency, enhanced performance and data analysis.

Acquisitions: ATL acquired GMR's transmission assets in Rajasthan (2016), Reliance Infrastructure's transmission assets in Gujarat, Madhya Pradesh and Maharashtra (2017), KEC's Bikaner Sikar transmission asset in Rajasthan (2019), Kalpataru Power Transmission Limited's transmission assets (Alipurduar Transmission Limited) in West Bengal and Bihar (2020) and Essel InfraProject Ltd's transmission asset (Warora Kurnool Transmission Limited) in Maharashtra, Andhra Pradesh and Telangana (2021).

ATL ventured into the Distribution business through the acquisition of Reliance Infrastructure's integrated utility comprising generation, transmission and retail electricity distribution (Adani Electricity Mumbai Limited). Today, Adani Electricity Mumbai Limited (AEML) caters to the electricity needs of over 12 Mn consumers in Mumbai suburbs. In FY 21-22, ATL expanded its distribution portfolio by acquiring MPSEZ Utilities Limited.

Predictable rollout: ATL infused project rollout predictability – in terms of time, quality and cost management – that has strengthened its brand and that of the sector as well.



ATL: Outperformer; completes one of India's largest intra state transmission lines

The long-distance transmission line of 897 ckm comprises 765KV & 400KV in UP.

- One of the largest intra-state, Tariff Based Competitive Bidding (TBCB) projects
- Comprises 98 Circuit Km of 400KV D/C Twin Moose line and 799 Circuit Km of 765KV S/C Quad Bersimis high-capacity line in Uttar Pradesh
- Ghatampur Transmission Ltd (GTL), a subsidiary of ATL, secured the loan facility for the project from a consortium of lenders, Power Finance Corporation of India (PFC) and REC Ltd
- This project was developed under the PPP mode on a Build, Own, Operate and Maintain (BOOM) basis
- This transmission line will provide transmission services to Long-Term Transmission Customers (LTTC) with 35 years of runway ahead.
- This project will improve reliability, operational efficiency and the robustness of Uttar Pradesh's power system network, benefitting the areas of Kanpur, Agra, Greater Noida and Hapur.
- The project will evacuate power from 3x660MW Ghatampur TPS owned by the Neyveli Uttar Pradesh Power Limited (a joint venture between Neyveli Lignite Corporation and Uttar Pradesh Rajya Vidyut Utpadan Nigam) and will also strengthen UP's transmission network.
- The transmission line passes through severe right of way-challenged urban areas and through undulated ravine topography.
- Once operational, the Ghatampur thermal generation power plant of UP and Neyveli Lignite Corporation is expected to generate 14,000 Mn units (MU) of energy each year to meet UP's power requirements. Adani Transmission will play a key role in the evacuation of electricity from this thermal power plant through five DISCOMs operational in UP to several parts of the state, benefiting millions of households, agricultural loads, industries and businesses.

Government support: The biggest driver of change in India's transmission sector

Enhancing growth and revenue visibility for the sector

Overview

The Indian government has charted out a multi-decade blueprint to moderate its carbon footprint.

This moderation principally comprises a rapid transition from the use of fossil fuels to renewable energy, substantial reduction in total carbon emissions and carbon intensity by 2030 while achieving net zero target by 2070.

This direction has been underpinned by policies that are transforming India into one of the most attractive renewable energy destinations in the world.

SECI (Solar Energy Co-Operation of India) substantially cleared the pandemic backlog of sanctioned renewable energy projects by forging power sales agreements with Discoms across the country, ensuring that commissioned and sanctioned renewable energy capacities found waiting markets.

The government will acquire land to be allotted to private companies as a part of the bidding procedure, an effective plug-and-play approach.

The government is contemplating the standardisation of all power purchase agreements with penalties for the breach of purchase obligations or default by any state, strengthening systemic confidence.

The government plans to introduce a new Electricity Amendment Bill (2021), which proposes to delicense the distribution business and lower sectorial entry barriers.

The government launched the ₹3.04 Trn Revamped Distribution Sector Scheme (RDSS), the biggest reforms package for the power distribution segment in 2021. This was inclusive of a budgetary grant/ support of ₹976.31 Bn, spread over a five-year period. Under the scheme, AT&C losses are sought to be brought down to 12-15% from around 21% and the ACS-ARR gap to zero by 2025-26 (Source: pib.gov.in).

RDSS focuses on customised state-specific action plans rather than a blanket approach. The assistance under the scheme is reforms-linked and based on meeting pre-qualifying criteria and achieving performance benchmarks. The scheme aims to improve the operational efficiency and financial sustainability of the discoms through 100% system metering, smart prepaid metering, energy accounting and infrastructure investment comprising loss reduction, modernisation and systems augmentation.

The government plans to focus on discom privatisation and competition in the distribution segment. Under the Atmanirbhar Bharat Abhiyan, the central government had announced plans to privatise the power distribution business in Union Territories and thereafter widen coverage.

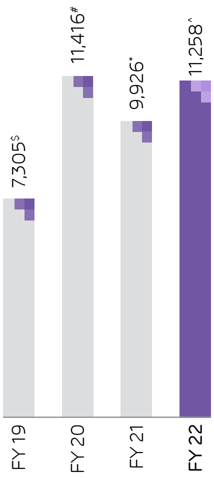
PART 2

Our business and performance

How ATL performed in the last few years

Revenues

(₹ Crore)



Definition
Growth in sales net of taxes (if any)

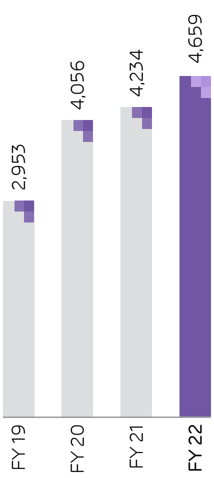
Why is this measured?
It showcases the Company's ability to enhance revenues, a number that can be compared with sectorial peers.

What does it mean?
Aggregate revenues increased attractively when seen from a three-year perspective due to various business-strengthening initiatives (detailed in the report)

Value impact
The Company grew faster than the sectorial average, which resulted in a growth in market valuation in FY 21- 22.

Operational EBITDA

(₹ Crore)



Definition
Earning before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax)

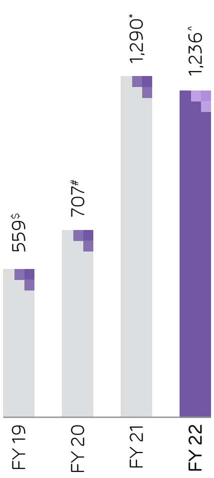
Why is this measured?
It is an index that showcases the Company's ability to generate a surplus following the expensing of operating costs.

What does it mean?
It helps create a robust EBITDA growth engine, a large part of which could be available for reinvestment

Value impact
The Company generated attractive EBITDA growth despite sectorial challenges

Profit after tax

(₹ Crore)



Definition
Profit earned during the year after deducting all expenses and provisions

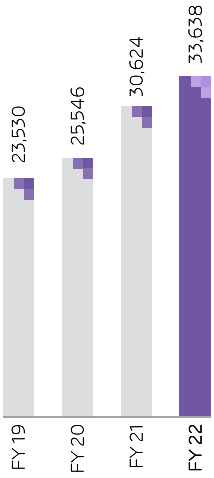
Why is this measured?
This measure highlights the strength of the business model in enhancing shareholder value

What does it mean?
It ensures that adequate surplus is available for reinvestment in the Company's operations.

Value impact
The Company reported almost flat net profit in FY 21-22 following all-round business strengthening, if we remove the one-time arrear income compared to the last year

Net fixed assets

(₹ Crore)



Definition
Net fixed assets is a measure used to assess the scale of a company's productive assets, utilised to enhance competitiveness

Why is this measured?
Net fixed assets (ex-depreciation) indicates the quantum of assets available on which to build the business

What does it mean?
This demonstrates the extent of productive assets employed by the Company in the business after the depreciation provision, the lower the better

Value impact
The Company reported a 10% increase in Net Fixed Assets during FY 21-22 following organic and inorganic growth

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^ Includes ₹252 Crore past year arears related to MERC and CERC order

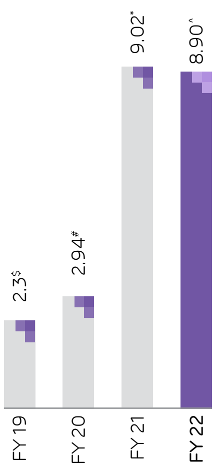
* Includes one-time income of ₹329.52 Crore recognised during the year based on the APTEL order related to April 2015 to March 2020

Includes one-time income of ₹254.43 Crore recognised during the year based on the MERC order received

$ Includes a revenue reversal of ₹89.57 Crore during the year based on MERC order received related to the earlier year

Earnings per share

(₹)



Definition
Earnings per share is a profitability measure used to assess how the Company profitability translates into value per share

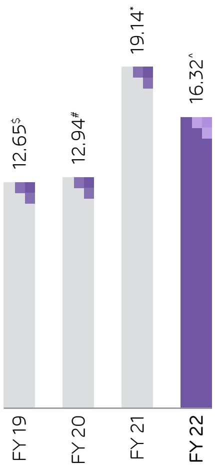
Why is this measured?
EPS provides a lucid insight into the Company's earning capacity translating into shareholder value

What does it mean?
This demonstrates the lowest common denominator in the understanding of shareholder value creation

Value impact
The Company reported a minor decrease in EPS due to a one-time arrear impact in EPS in FY 21-22

Return on net worth

(%)



Definition
It is a financial ratio that measures a company's profitability and the efficiency with which its shareholder funds are employed in the business

Why is this measured?
RoNW is a useful metric for comparing profitability across companies based on the amount of shareholder funds they use – especially in capital-intensive sectors

What does it mean?
Enhanced RoNW can influence valuation and perception

Value impact
The Company reported a 2.82 bps decrease in RoNW in FY 21-22

Debt-equity ratio

(x)

Definition
This is derived through the ratio of debt to net worth (less revaluation reserves)

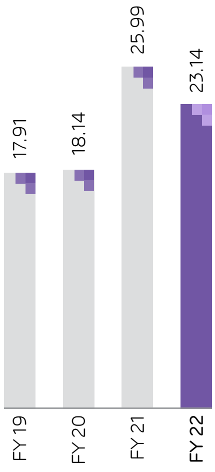
Why is this measured?
This is one of the defining measures of a company's financial solvency

What does it mean?
This measure indicates the extent of borrowing room within, the lower the gearing the better

Value impact
The Company's gearing increased nominally by 0.03x on account of debt repayment and increased net worth, which was offset marginally by higher debt

CSR expenses

(₹ Crore)



Definition
This is the expense incurred on community building initiatives.

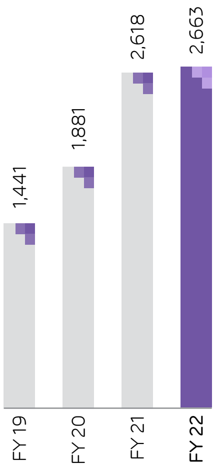
Why is this measured?
This is a responsible measure of the Company's commitment to public welfare

What does it mean?
This expenses indicates the quantum being ploughed into societal development

Value impact
The Company's CSR spending increased over the years

Direct economic value-added (EVA)

(₹ Crore)



Definition
This is the profit earned by the Company minus the cost of financing its capital

Why is this measured?
This is a measure that reveals the financial performance of a business based on residual income

What does it mean?
It captures the idea that value is created when return on the Company's capital employed is greater than its cost of capital

Value impact
The Company's direct EVA creation increased over the years

How Adani Transmission has enhanced shareholder value

Capital appreciation

99,901
₹ Crore, market capitalisation, 31st March 2021

2,60,906
₹ Crore, market capitalisation, 31st March 2022

Relative outperformance

88
% CAGR growth in market capitalisation (listing to 2022)

11
% CAGR growth in BSE Sensex (equivalent period)

Overview into our value-accretive business model

India is engaged in correcting a skew between its power generation and transmission sectors while at the cusp of privatising its distribution sector. ATL has responded with a value-accretive model, marked by aggressive yet protected growth; rapid capacity creation has been complemented by annuity incomes. ATL's hunter-farmer model is marked by the accelerated rollout of transmission infrastructure (with cost competitiveness and economies); at the farmer level, the Company generates annuity revenues from asset maintenance.

How we consistently enhanced shareholder value

- Group pedigree
- Strategic
- Competitive infrastructure creation
- Long-term asset viability
- Annuity incomes
- Financial discipline
- Acquisitions
- Responsibility
- Sustainability

1 Group pedigree

- Leveraging the infrastructure competence of Adani Group
- Leveraging capabilities in timely project construction and rollout
- Access to Adani Group resources, and knowledge
- Adani brand visibility helping in talent recruitment

2 Strategic

- Among the highest international credit ratings in India's power infrastructure sector
- Increased TBCB market share from 8% in FY 16-17 to 22% in FY 21-22
- Growing the business through long-term debt and accruals

3 Competitive infrastructure creation

- Leveraged scale and established vendor system to derive cost economics
- Implemented IMS, 5S, QC, Six Sigma and Lean for process standardisation and efficiencies
- Optimised fund costs through the Capital Management Programme
- Reported one of the lowest costs per ckm; O&M costs among global peers

4 Long-term asset viability

- Assets commissioned to last across the decades (35+30 years)
- Delivering the highest network availability linked to additional incentives
- One of the highest line availabilities
- Culture of preventive, condition based, predictive maintenance and technology excellence

5 Secured long-term annuity incomes

- Long-term concession life (~35 years + 30 years of remaining asset life)
- Revenues independent of throughput quantum
- Pooling mechanism de-risks cash flows
- More than 50% sovereign-rated counterparties in FY 21-22

6 Financial discipline

- Capital Management Programme; debt synced to asset life; debt cost declining
- Hedged Dollarised debt 74% in FY 21-22; 81% debt with maturity of 5 years+ in FY 21-22
- Fully funded proposed AEML capex; adequate free cash flows for transmission capex until 2025
- Multi-year revenue visibility and predictability

7 Acquisitions

- Fast-tracked strategy to enhance assets and revenues
- Removed project commissioning risk
- Turned around every single acquisition; enhanced systemic availability and incentive income

8 Responsibility

- Deep ESG compliant business model
- Extensively de-risked approach; established global corporate credibility
- Uninterrupted services to customers
- Focus on enhanced value for all stakeholders

9 Sustainability

- Addressing a critical national requirement
- Investment in business platforms for sustainable scalability
- Long-term relationships with principals; enhanced revenue visibility
- Comfortable Net debt/EBITDA; attractive credit rating

Our operational transmission networks

8,600 ckm,
14,000 MVA
network strength, FY 17-18

~14,279 ckm,
20,765 MVA
Network strength, FY 21-22

Our distribution network availability

99.989
%, FY 17-18, AEML

99.995
%, FY 21-22, AEML

Our transmission system availability

99.83
%, FY 17-18

99.70
%, FY 21-22

Our network efficiency

Operational parameters	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
SAIDI (Min/Customer)	55.88	46.42	39.12	34.38	23.63
SAIFI (Events/Cust)	1.54	1.33	1.24	1.11	0.82
ASAI (%)	99.989	99.991	99.992	99.993	99.995

SAIDI - System Average Interruption Duration Index
SAIFI - System Average Interruption Frequency Index
ASAI - Average System Availability Index

Outcomes of our value-accretive model

ATL is India's largest private sector transmission and distribution company. The Company enjoyed a market share of 22% in the Indian transmission sector's TBCB bids in FY 21-22. The Company delivered 88% CAGR growth in market capitalisation post-listing by the close of FY 21-22. The Company reports among the highest EBITDA margins in India's T&D sector. The Company grew transmission capacity ~3x in six years with a presence in 13 Indian states. The Company reported ~17% EBITDA CAGR from FY 17-18 to FY 21-22. The Company reported a 10% increase in operational EBITDA, FY 21-22.

How we generated superior financial hygiene during the year

Operational EBITDA

4,233
₹ Crore,
FY 20-21

4,659
₹ Crore,
FY 21-22

Gearing

2.68
Debt-equity ratio,
FY 20-21

2.71
Debt-equity ratio,
FY 21-22

RoCE

10.15
%, Return on
Capital Employed,
FY 20-21

9.72
% Return on
Capital Employed,
FY 21-22

Operational EBITDA (Transmission)

92
%, FY 20-21

92
%, FY 21-22

Operational EBITDA (Distribution)

27
%, FY 20-21

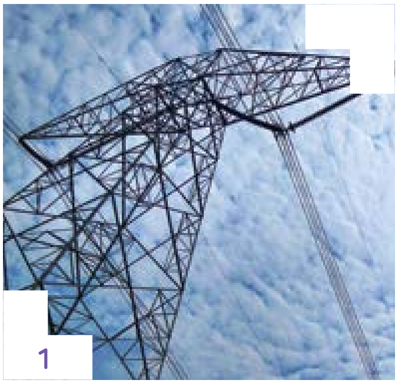
24
%, FY 21-22

Our projects portfolio

	Transmission	Route Length (ckm)	Transformation Capacity (MVA)	No. of Substations	Counterparty
Operational assets	Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL)	1,217	6,000	2	State
	Adani Transmission (India) Limited (ATIL)	3,834	6,630	3	Centre/ State
	Aravali Transmission Service Company Ltd. (ATSCL)	97	630	1	State
	Maru Transmission Service Company Ltd. (MTSCL)	300	730	1	State
	Western Transmission (Gujarat) Ltd. (WTGL)	974	-	-	Centre
	Western Transco Power Ltd. (WTPL)	2,089	-	-	Centre
	Adani Electricity Mumbai Limited (AEML)*	572	3,250	8	State
	MPSEZ Utility Limited (MUL)	148	360	5	State
	Adani Transmission Bikaner Sikar Private Limited (ATBSPL)	343	-	-	State
	Sipat Transmission Limited (STL)	348	-	-	Centre
	Raipur Rajnandgaon-Warora Transmission Limited (RRWTL)	611	-	1	Centre
	Chhattisgarh-WR Transmission Limited (CWRTL)	434	630	1	Centre
	Adani Transmission (Rajasthan) Limited (ATRL)	278	-	-	State
	Hadoti Power Transmission Limited (PPP 8)	116	310	5	State
	Barmer Power Transmission Limited (PPP 9)	133	150	6	State
	Thar Power Transmission Limited (PPP 10)	164	125	5	State
	Alipurduar Transmission Ltd. (ATL)	650	-	-	Centre
	Fatehgarh Bhadla Transmission Limited (FBTL)	292	-	1	Centre
	Bikaner Khetri Transmission Limited (BKTL)	481	-	-	Centre
	Ghatampur Transmission Limited (GTL)	897	-	-	State
	Obra- C Badaun Transmission Limited (OBTL) (1 of 3 elements)#	296	950	1	State
	North Karanpura Transco Limited (NKTL)#	5	1,000	1	Centre
	Sub-total (Operational)	**14,279**	**20,765**	**41**	
Under construction assets	North Karanpura Transco Limited (NKTL)	299			Centre
	Obra- C Badaun Transmission Limited (OBTL)	334	-	-	State
	WRSS XXI(A) Transco Limited [WRSS-XXI(A)]	292	3,000	1	Centre
	Lakadia Banaskantha Transco Limited (LBTL)	352	-	-	Centre
	Jam Khambaliya Transco Limited (JKTL)	38	2,500	1	Centre
	Kharghar Vikroli Transmission Limited (KVTL)	74	1,500	1	State
	Warora Kurnool Transmission Ltd. (WKTL)	1,756	3,000	1	Centre
	MP Package 2	1,060	2,736	18	State
	Khavda-Bhuj Transmission Ltd.	221	4,500	1	Centre
	Karur Transmission Ltd.	10	1,000	1	Centre
	Adani Electricity Mumbai Infra Ltd. (AEMIL)	80	1,000	2	State
	Total (Under construction)	**4,516**	**19,236**	**26**	
	TOTAL (OPERATIONAL+ ONGOING)	**18,795**	**40,001**	**67**	

* Includes assets under Mumbai Transmission Business of AEML
(an integrated utility with Generation, Transmission & Distribution portfolio)

#Partial Commissioning completed



North Karanpura Transco Limited

Immediate evacuation for the North Karanpura (3x660 MW) generation project of NTPC along with the creation of a 400/220 kV substation at Dhanbad (ERSSXIX)

Project location: Jharkhand, Bihar

Regulator: Central Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Inter-state

Beneficiary State / Off-taker: Bihar, Jharkhand, West Bengal and Odisha Business model volatility: Build Own Operate Maintain

Obra-C Badaun Transmission Limited

Transmission system for the evacuation of power from Obra-C (2x660MW) Thermal Power Project and construction of 400 kV GIS Substation Badaun with associated transmission lines

Project location: Uttar Pradesh

Regulator: Uttar Pradesh Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Intra-state

Beneficiary state / Off-taker: Uttar Pradesh

Business model: Build Own Operate Maintain

WRSS-XXIA Transco Limited

Western Region Strengthening Scheme – 21 (WRSS-21) Part A – Transmission system strengthening for relieving over-loading observed in the Gujarat intrastate system due to renewable energy injections in Bhuj PS

Project location: Gujarat

Regulator: Central Electricity Regulatory Commission

Concession / TSA Term: 35 years

Project mode: Tariff-based competitive bid

Project type: Inter-state

Beneficiary state / Transmission customers: Renewable energy generators

Business model: Build Own Operate Maintain

4

Lakadia Banaskantha Transco Limited

Transmission system associated with renewable energy generation at Bhuj II, Dwarka Lakadia

Project location: Gujarat

Regulator: Central Electricity Regulatory Commission

Commission concession / TSA term: 35 years

Project mode: TBCB

Project type: Inter-state

Beneficiary state / transmission customers: Renewable energy generators

Business model: Build Own Operate Maintain

5

Jam Khambaliya Transco Limited

Transmission system for Jam Khambaliya Pooling Station and interconnection of Jam Khambaliya Pooling Station for providing connectivity to RE projects (1500 MW) in Dwarka (Gujarat) and installation of 400/220 kV Interconnecting Transformer (ICT) along with associated bays at the CGPL switchyard.

Project location: Gujarat

Regulator: Central Electricity Regulatory Commission

Commission concession/ TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Inter-state

Beneficiary state / Transmission customers: Renewable energy generators

Business model: Build Own Operate Maintain

6

Kharghar Vikhroli Transmission Limited

Transmission system for 400 kV Vikhroli receiving station and associated incoming transmission lines for strengthening the Mumbai transmission system.

Project location: Maharashtra

Regulator: Maharashtra Electricity Regulatory Commission

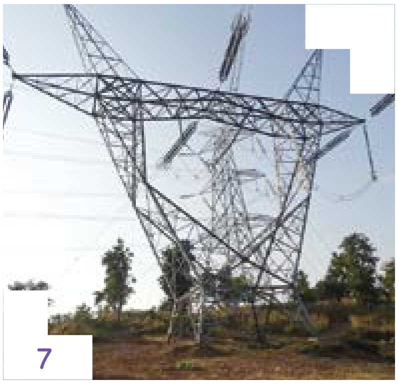
Commission concession / TSA Term: 35 years

Project mode: Tariff-based competitive bid

Project type: Intra-state

Beneficiary state / Transmission customers: Maharashtra Discoms, Business Parks and Indian Railways

Business model: Build Own Operate Maintain



7

Warora - Kurnool Transmission Limited

Additional inter-Regional AC link for import into Southern Region (SR) i.e. Warora – Warangal and Chilakaluripeta - Hyderabad - Kurnool 765kV link

Project locations: Maharashtra, Andhra Pradesh and Telangana

Regulator: Central Electricity Regulatory Commission

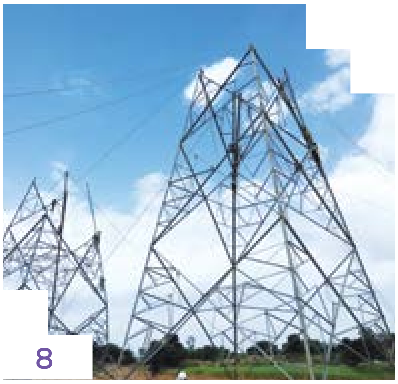
Commission concession / TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Inter-state

Beneficiary state / Transmission customers: Southern States of India and Goa

Business model: Build Own Operate Maintain



8

MP Power Transmission Package-II Limited

Development of Intra-State Transmission Work in M.P. through Tariff Based Competitive Bidding: PACKAGE -II

Project location: Madhya Pradesh

Regulator: Madhya Pradesh Electricity Regulatory Commission

Commission concession / TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Intra-state

Beneficiary state / transmission customers: Discoms of Madhya Pradesh

Business model: Build Own Operate Maintain

9

Karur Transmission Limited

Evacuation of Power from RE Sources in Karur/ Tiruppur Wind Energy Zone (Tamil Nadu) (1000 MW)

Project location: Tamil Nadu

Regulator: Central Electricity Regulatory Commission

Concession / TSA Term: 35 years

Project mode: Tariff-Based Competitive Bid

Project type: Inter State

Beneficiary state / Transmission customers: Renewable Energy Power Generators

Business model: Build Own Operate Maintain

10

Khavda-Bhuj Transmission Limited

Transmission scheme for evacuation of 3GW RE injection at Khavda P.S. under Phase-I

Project location: Gujarat

Regulator: Central Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Tariff-Based Competitive Bid

Project type: Inter-State

Beneficiary state / Transmission customers: Renewable energy power generators

Business model: Build Own Operate Maintain

11

Adani Electricity Mumbai Infra Ltd (AEMIL)

Intra-state licensed transmission scheme to support import of power into Mumbai area and to support a greater penetration of renewable energy by reducing dependence on older embedded generation sources.

Project location: Greater Mumbai region, Maharashtra

Regulator: Maharashtra Electricity Regulatory Commission

Concession / TSA term: 25 year license

Project mode: Return on asset project

Project type: Intra-state

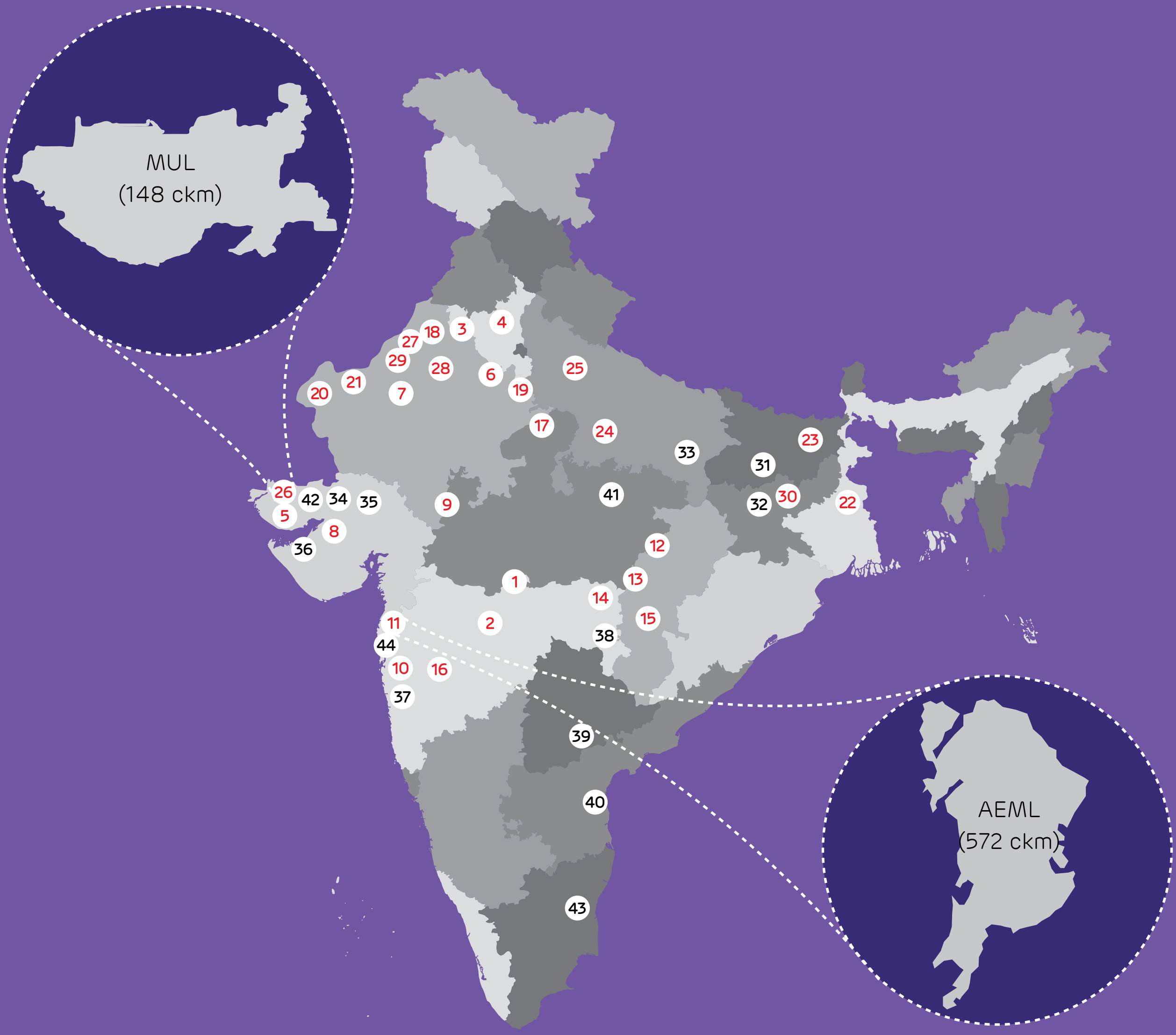
Beneficiary state / Transmission customers: Maharashtra state consumers, especially Mumbai consumers

Business model: Build Own Operate Maintain

Geographic footprint

Expanding access to the grid

Presence in 13 states with operational and under-construction projects comprising transmission lines of ~18,795 ckm and substations with a transformation capacity of 40,001 MVA.



Operational assets are plotted in red
Under-construction assets are plotted in black

~18,795

ckm

TRANSMISSION LINES

~40,001

MVA

TRANSMISSION CAPACITY

1	MEGPTCL (1,217 ckm)
2,3,4,5	ATIL (3,834 ckm)
6	ATSCL(97 ckm)
7	MTSCL (300 ckm)
8,9	WTGL (974 ckm)
10	WTPL (2,089 ckm)
11	AEML (572 ckm)
12	STL (348 ckm)
13,14	RRWTL (611 ckm)
15,16,17	CWRTL (434 ckm)
18	ATRL (278 ckm)
19	HPTL (116 ckm)
20	BPTL (133 ckm)
21	TPTL (164 ckm)
22, 23	ALTL (650 ckm)
24	GTL (486 ckm)
25	OBTL*(89 ckm)

26	MUL (148 ckm)
27	ATBSPL (343 ckm)
28	FBTL (292 ckm)
29	BKTL (481 ckm)
30	NKTL* (5 ckm)
31, 32	NKTL* (299 ckm)
33	OBTL* (334 ckm)
34	WRSS (292 ckm)
35	LBTL (352 ckm)
36	JKTL (38 ckm)
37	KVTL (74 ckm)
38,39,40	WKTL (1756 ckm)
41	MP Package 2 (1060 ckm)
42	Khavda-Bhuj (221 ckm)
43	Karur (10 ckm)
44	AEMIL (80 ckm)

Notes:

1) Maps not to scale (for representation purpose only)

2) Assets includes fully built, under-construction projects based on regulatory - approved and bid-based tariff profiles.

*Partial commissioning completed.

Distribution Network

a. AEML (572 ckm)

b. MUL (148 ckm)

INORGANIC GROWTH

Why we acquired MPSEZ Utilities Limited

Overview

During the year under review, Adani Transmission Limited strengthened its competitive position following the acquisition of MPSEZ Utilities Limited (MUL). The management of ATL is optimistic of the synergies expected to emerge from the acquisition.

MUL was incorporated in 13th July 2007, engaged in electric power distribution and common effluent treatment plants. MUL comprises a 148 ckm distribution network. The APSEZ subsidiary's operations distributed about 371 MUs (Mn units) with moderate distribution losses of 3.21% coupled with a medium-term power purchase arrangement.

ATL signed a share purchase agreement with APSEZ to completely acquire MUL for a consideration of ₹116.27 Crore. MUL's standalone revenues were ₹203.31 Crore in the financial year 20-21 and as power load in the distribution area grows – following the accretion of industrial and commercial activities - MUL's operations are expected to enlarge.

Rationale for acquisition

The acquisition of MUL's operations will empower ATL to strengthen its distribution business.

On the one hand, ATL will leverage the acquired company's technical competence and IT infrastructure. MUL will bring a rich experience in managing a smaller distribution licensee area, an attractive platform for a time when distribution businesses in India are delicensed and it becomes imperative to deepen attention on small areas like districts to grow the retail distribution franchise.

The acquisition will also help ATL leverage the experience of MUL in the areas of water distribution and effluent treatment plants, strengthening its credentials in the area of integrated utility management services in similar Special Economic Zones across the country.

On the other hand, AEML will bring a validated value to the acquired unit's table in the form of cost optimisation, improved efficiency and future-readiness to expand the distribution portfolio.

Outlook

We believe that ATL is attractively placed to leverage its rich power distribution experience to capitalise on emerging sectorial opportunities (including contemplating a parallel second licensee, privatisation of the electricity distribution business in Union Territories and delicensing the entire distribution business following a proposed amendment in the Electricity Act). ATL will continue to seek organic and inorganic opportunities in the area of private distribution assets or Integrated Utilities Management opportunities in SEZ and investment zones areas.

Key MUL numbers

148

ckm, Total distribution network

371

Mn units, Distribution volume

3.21

%, Distribution losses

ADANI GROUP PROFILE

The multi-business Adani Group is one of the most dynamic industrial conglomerates in India.

Values

Courage
We shall embrace new ideas and business

Trust
We shall believe in our employees and other stakeholders

Commitment
We shall stand by our promises and adhere to high standards of business

Engaged in nation building

Enhancing stakeholder value

Enriching communities of its presence

Vision

To be a world class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.

Culture

Passion
Performing with enthusiasm and energy

Results
Consistently achieving goals

Integration
Working across functions and businesses to create synergies

Dedication
Working with commitment in the pursuit of our aims

Entrepreneurship
Seizing new opportunities with initiatives and ownership

The promoter

The Adani Group has been promoted by the visionary industrialist Mr. Gautam Adani. The Group was founded by Mr. Gautam Adani in 1988 as a commodity trading business, the flagship company being Adani Enterprises Limited (previously Adani Exports Limited).

The Adani Group

Headquartered in Ahmedabad, India, Adani Group comprises the largest and fastest-growing portfolio of diversified businesses in India with interests in Logistics (seaports, airports, logistics, shipping and rail), Resources, Power Generation, Transmission & Distribution, Renewable Energy, Gas & Infrastructure, Agro (commodities, edible oil, food products, cold storage and grain silos), Real Estate, Public Transport Infrastructure, Defence & Aerospace, Mining Services, Copper, Petrochemicals, Data Centre and other sectors.

The scale

Most of the Group's businesses are among the largest in India, generating attractive economies of scale. Adani Green Energy Limited is among the largest renewable energy businesses in India. Adani Total Gas Limited is the largest city gas distribution business in India. Adani Ports & Special Economic Zone Limited is the largest private sector port operator in India. Adani Wilmar is the largest edible oils brand in India. Adani Transmission Limited is the largest private sector transmission and distribution company in India. Adani Power Limited is the largest private sector thermal power producer in India.

The visibility

The Adani Group comprises seven publicly traded companies with market capitalisation of US$ 206 Bn as of 29th April 2022.

The positioning

The Adani Group has positioned itself as a leader in the transport logistics and energy utility portfolio businesses in India. The Group has focused on sizable infrastructure development in India with operations and maintenance (O&M) practices benchmarked to global standards.

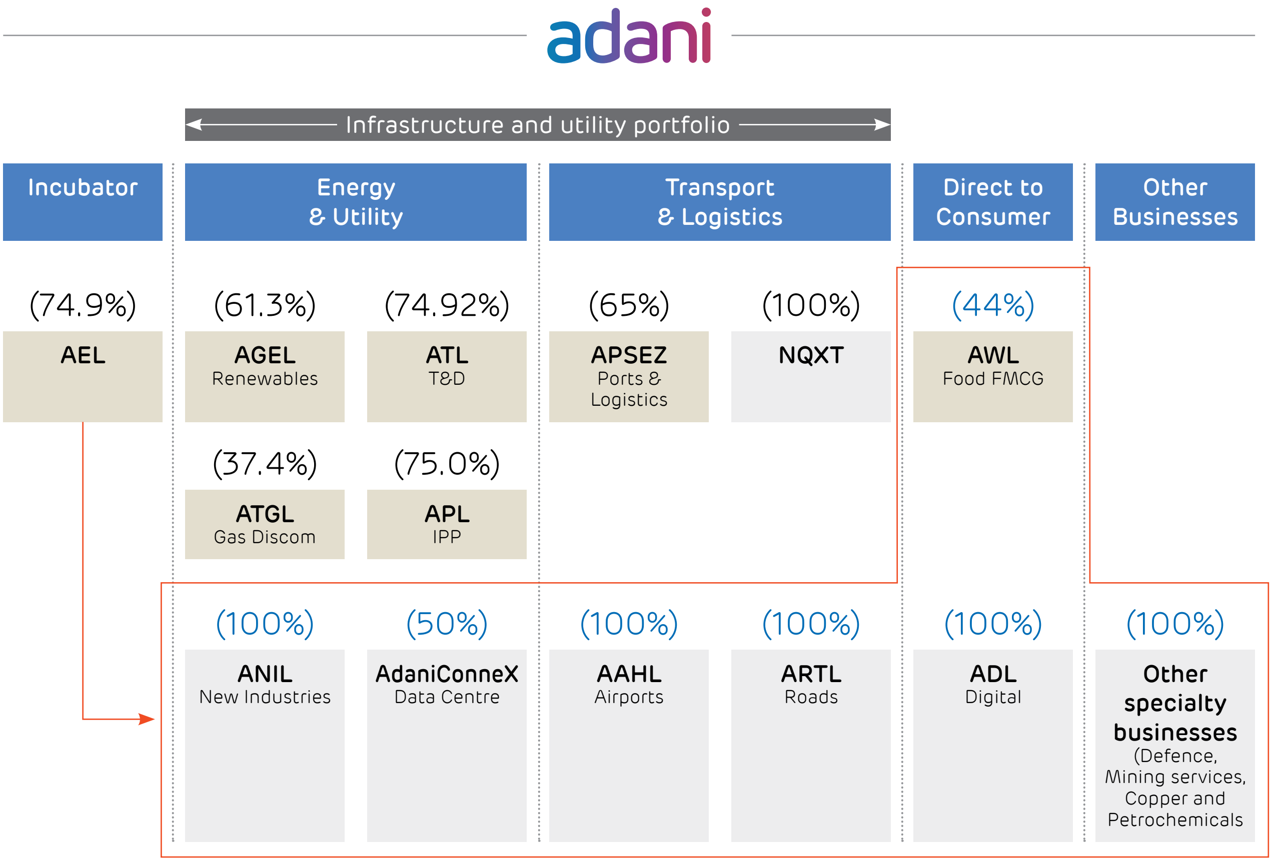
The core philosophy

The Adani Group's core philosophy is 'Nation Building', driven by 'Growth with Goodness', its beacon for sustainable growth. The Adani Group is committed to widen its ESG footprint with an emphasis on climate protection and increasing community outreach through CSR programmes woven around sustainability, diversity and shared values.

The credibility

The Adani Group comprises four IG-rated businesses and is the only Infrastructure Investment Grade bond issuer from India.

Adani: A world class infrastructure & utility portfolio



adani

Infrastructure and utility portfolio

Incubator

(74.9%) **AEL**

Energy & Utility

(61.3%) **AGEL** Renewables

(74.92%) **ATL** T&D

(37.4%) **ATGL** Gas Discom

(75.0%) **APL** IPP

(100%) **ANIL** New Industries

(50%) **AdaniConneX** Data Centre

Transport & Logistics

(65%) **APSEZ** Ports & Logistics

(100%) **NQXT**

(100%) **AAHL** Airports

(100%) **ARTL** Roads

Direct to Consumer

(44%) **AWL** Food FMCG

(100%) **ADL** Digital

Other Businesses

(100%) **Other specialty businesses** (Defence, Mining services, Copper and Petrochemicals

(%): Promoter equity stake in Adani Portfolio companies

(%): AEL equity stake in its subsidiaries

▨ Represents public traded listed verticals

~US$ 206 Bn combined market capitalisation

A multi-decade story of high growth and de-risked cash flow generation

Marked shift from B2B to B2C businesses

ATGL: Gas distribution network to serve key geographies across India

AEML: Electricity distribution network that powers the financial capital of India

Adani Airports: Operates, manages and develops eight airports in the country

Locked in Growth

Transport & logistics: Airports and Roads

Energy & Utility: Water and Data Centre

APSEZ: Adani Ports and Special Economic Zone Limited

NQXT: North Queensland Export Terminal

ATMSPL: Adani Tracks Management Services Pvt. Ltd. (Formerly, Sarguja Rail Corridor Pvt. Ltd.)

AAHL: Adani Airports Holdings Ltd.

ATL / APL / AGEL / ATGL: Adani Transmission / Power / Green Energy / Total Gas Ltd.

AEML: Adani Electricity Mumbai Ltd.

ARTL: Adani Road Transport Ltd.

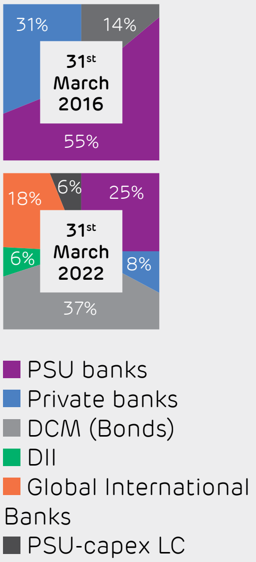
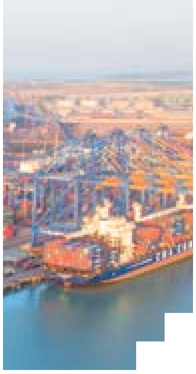
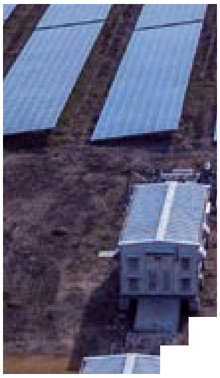
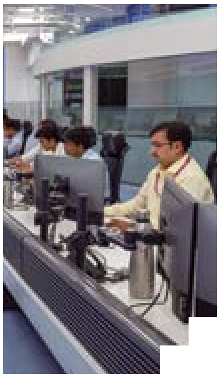
Adani Water Ltd.

T&D: Transmission and Distribution

IPP: Independent Power Producer

Opportunity identification, development and beneficiation are intrinsic to Adani Group's diversification and growth

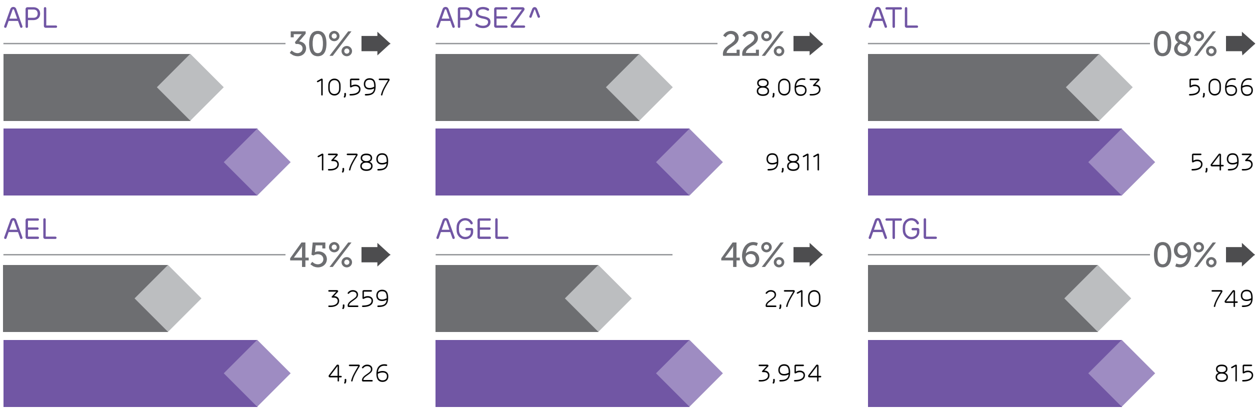
Adani Group: Repeatable & proven transformation investment model

	Phase	Development		Operations	Post operations
	Origination	Site development	Construction	Operation	Capital management
Activity	▪ Analysis & market intelligence ▪ Viability analysis ▪ Strategic value	▪ Site acquisition ▪ Concessions and regulatory agreements ▪ Investment case development	▪ Engineering & design ▪ Sourcing & quality levels ▪ Equity & debt funding at project	▪ Life cycle O&M planning ▪ Technology enabled O&M	▪ Redesigning the capital structure of assets ▪ Operational phase funding consistent with asset life
Performance	▪ India's largest commercial port (at Mundra)	▪ Completed one of India's longest intra-state transmission lines of 897 ckm (Ghatampur Transmission Ltd.)	▪ 648 MW ultra mega solar power plant (Kamuthi, Tamil Nadu)	▪ Energy Network Operation Center (ENOC)	▪ First ever GMTN of US$ 2 Bn by an energy utility player in India an SLB (Sustainability-Linked Bond) in line with COP26 goals at AEML ▪ AGEL's tied up 'Diversified Growth Capital' with revolving facility of US$ 1.35 Bn fully fund its entire project pipeline ▪ Issuance of 20 and 10-year dual tranche bond of US$ 750 Mn making APSEZ the only infrastructure company to do so ▪ Green bond issuance of US$ 750 Mn established AGEL as India's leading credit in the renewable sector
	▪ Highest margin among peers	▪ Highest line availability	▪ Constructed and commissioned in nine months	▪ Centralised continuous monitoring of solar and wind plants across India on a single cloud based platform	**Debt structure moving from PSU banks to Bonds** 
					

How Adani Group companies performed in FY 21-22

EBIDTA growth

₹ Crore



Strong growth in the consolidated EBITDA of the listed companies of the Group by 26% in FY 21-22 demonstrates the utility nature of the businesses

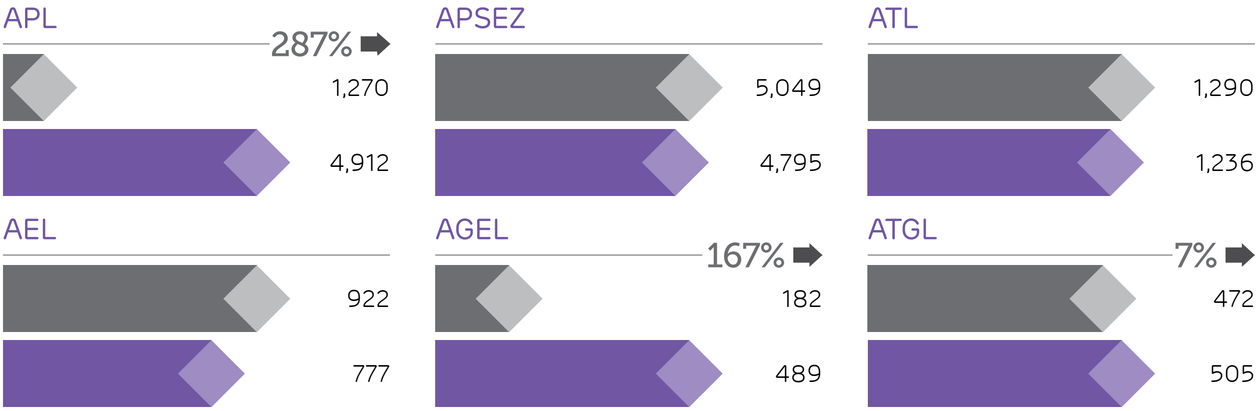
- APL EBITDA improved due to improved tariff realisation and higher prior period income recognition
- AGEL's continued growth in EBITDA was supported by an increase in revenues and cost efficiencies brought in through analytics driven O&M
- ATL EBIDTA grew on account of higher revenues in transmission and distribution segments.
- APSEZ EBITDA growth was on account of an increase in cargo volume, operational efficiency and cost restructuring
- ATGL EBITDA grew due to increase in sales volume and coupled with an improvement in the operating margin and cost optimisation
- AEL EBITDA grew due to better margins in the IRM business and consolidation of the Mumbai Airport business

^APSEZ: EBITDA excludes one-time transaction cost of ₹60 Crore in FY 21-22 and donation of ₹80 Crore in FY 20-21. *EBITDA excludes forex gain/loss, other income*

■ FY 20-21 ■ FY 21-22

PAT performance

₹ Crore



- All portfolio companies registered profit after tax (PAT)

■ FY 20-21 ■ FY 21-22

The Adani Group's platform of foresight excellence, outperformance and leadership

The Adani Group businesses

Transport

Logistics

Energy

Direct-to-consumer

Metals & materials

The Adani Group growth platform

Betting on India

Strategic big picture

Making outsized investments in futuristic infrastructure

Investing at a competitive capital cost in a relatively low commissioning time

Creating long-term revenue visibility

Reinforcing attractive margins

The platform

India

At the Adani Group, we believe in and bet on India. We have observed that following the announcement of liberalisation in 1991, India has not just grown faster; it has compressed the GDP growth of the earlier decades into considerably fewer years for equivalent growth. India is now expected to transition from a sub-US$ 3 Trn economy to a US$ 5 Trn economy in the next few years.

At Adani Group, we proactively invested in businesses that will ride the middle-income consumption engine seeking improved life quality. We have invested not on the basis of what is, but on what can be. By making disproportionate investments, we intend to shift the needle not just for the Company but for the country as a whole - with the objective of extending access, reducing costs, widening the market and, in doing so, helping strengthen India.

Competitive advantage

At the Adani Group, we believe that the ability to make a significant national contribution can only be derived from a broadbased competitive advantage that is not dependent on any one factor but is the result of an overarching culture of excellence – the coming together of adjacent business presence, rich sectorial experience, timely project implementation, ability to commission projects faster than the sectorial curve, competence to do so at a cost lower than the industry average, foresight to not merely service the market but to grow it, establish a decisive sustainable leadership and evolve the Company's position into a generic name within the sector of its presence.

Relatively non-mature spaces

At the Adani Group, we have selected to enter businesses that may be considered 'maturely non-mature'. Some of the businesses can be classified as mature, based on the enduring industry presence and the conventional interpretation of their market potential; these very businesses can be considered non-mature by the virtue of their vast addressable market potential and the superior Adani Group value proposition. The result is that the Adani Group addresses sectorial spaces not on the basis of existing market demand but on the basis of prospective market growth following the superior Adani sectorial value proposition.

Outsized

The Adani Group has established a respect for taking outsized bets in select sectors and businesses without compromising Balance Sheet safety. The Group establishes a large capacity aspiration that sends out a strong message of its long-term direction. Its outsized initial capacity establishes economies of scale within a relatively short time horizon that deters prospective competition and generates a substantial cost leadership (fixed and variable) across market cycles.

Technology

The Adani Group invests in the best technology standards of the day that could generate precious additional basis points in profitability and help more than recover the additional cost (if at all) paid within a short tenure. This superior technology standard evolves into the Company's sustainable competitive advantage, respect, talent traction and profitability.

Execution excellence

The Adani Group has built a distinctive specialisation in project execution, one of the most challenging segments in India. The Group has established benchmark credentials in executing projects faster than the sectorial average by drawing from the multi-decade Adani pool of managerial excellence across a range of competencies. This capability has resulted in quicker revenue inflow, increased surplus and competitive project cost per unit of delivered output.

Scalable financial structure

The Adani Group has created a robust financial foundation of owned and borrowed funds (the lowest cost by far for infrastructure building companies in India). This enhanced credibility makes it possible for the Adani Group to mobilise resources from some of the largest global lenders at among the lowest costs. This approach helps transform these marquee institutions from mere lenders to stable resource (fund or growth) providers for the long-term.

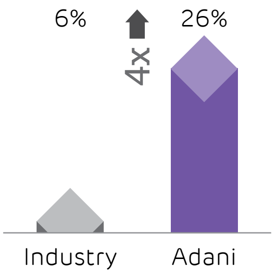
Ownership

The Adani Group comprises a high promoter ownership, validating a commitment and ownership in projects.

Adani Group's outperformance

Port cargo throughput growth

(MMT)



2021	1,246 MMT	247 MMT
2022	1,319 MMT	312 MMT

APSEZ

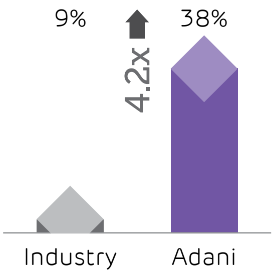
Highest margin among peers global

EBITDA margin: 70%[1,2]

Next best peer margin: 55%

Renewable capacity growth

(GW)



2021	140 GW[9]	14.8 GW[6]
2022	153 GW[9]	20.4 GW[6]

AGEL

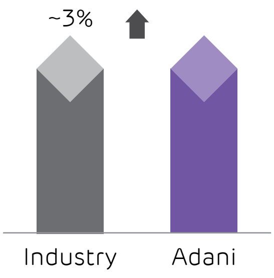
World's largest solar energy developer

EBITDA margin: 91.8%[1,4]

Among the industry's best

Transmission network growth

(ckm)



2021	4,41,821	18,336
2022	4,56,716	18,795

ATL

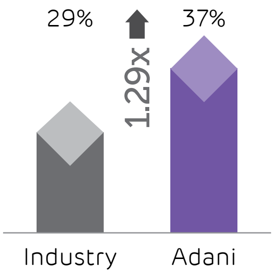
One of the highest network availability among peers

EBITDA margin: 92%[1,3,5]

Next best peer margin: 88%

City gas distribution[7] growth

(GAs[8] covered)



2021	228 GAs	38 GAs
2022	293 GAs	52 GAs

ATGL

India's largest private CGD business

EBITDA margin: 25%[1]

Among the best in industry

Transformative model driving scale, growth and free cash flows

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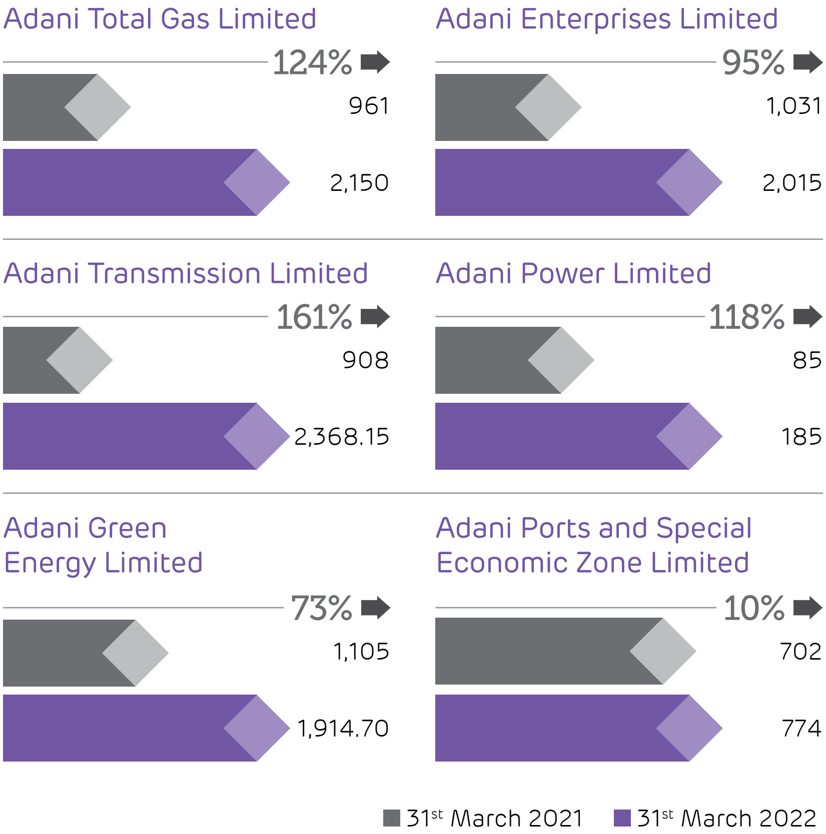
Note: 1. Data for 2021-22; **2.** Margin for ports business only, Excludes forex gains/losses; **3.** EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; **4.** EBITDA Margin represents EBITDA earned from power supply **5.** Operating EBITDA margin of transmission business only, does not include distribution business. **6.** Contracted & awarded capacity **7.** CGD – City Gas distribution **8.** GAs - Geographical Areas - Including JV | Industry data is from market intelligence **9.** This includes 17GW of renewable capacity where PPA has been signed and the capacity is under various stages of implementation and 29GW of capacity where PPA is yet to be signed'

How Adani Group companies performed in a challenging FY 21-22

(share price in ₹)

Movement in the Adani listed portfolio on the stock exchanges in 2021-22



All Adani portfolio stocks generated a healthy growth.

The Adani Group: Establishing benchmarks

Largest

India's largest commercial port (Mundra)

India's largest private sector ports company

India's largest single location private thermal IPP (Mundra)

One of the world's largest ultra mega solar power plant of 648 MW at Kamuthi (Tamil Nadu)

Largest

Ports company enjoying the highest margin among peers

One of the highest transmission line availability in India

Aiport infrastructure company in India

Quickest

The 648 MW solar power Kamuthi plant commissioned in only nine months

Longest

Completed one of the India's longest intra-state transmission lines of 897 ckm (Ghatampur Transmission Ltd.)

CHAIRMAN'S MESSAGE

Optimism comes from Resilience. Resilience comes from Belief. Belief is Optimism

To say our world is in uncharted waters would be an understatement. The adverse impact of the mix of the pandemic, armed conflict, and climate change has exposed the fragility of the global system. The challenge of predicting the increasing complexity of this multidimensional crisis has become evident to governments across the world. Amplified inflation, disrupted food supplies, increased human displacement, exposed healthcare machinery, stalled education levels and faltering job creation are all signs of the damaging effects of the crisis and are testing every nation's resilience.

Resilience is a characteristic that makes it possible to bounce back. It is the ability to withstand unanticipated crises; to face uncertainty with curiosity and optimism. This capacity within societies to rebound from setbacks is increasingly difficult to model or predict as the crisis drivers become more complex and intermingled. While there is always room for debate, looking back to the recent events, there can be no denying that India has emerged with more credit for its handling of the Covid-19 crisis from a humanitarian and economic perspective than most developed economies. When it comes to Russia, India has been able to take a mature approach to the ongoing conflict. And in this complicated environment, India has emerged as the fastest growing major economy when other major nations are confronted with recessionary trends. India has also been one of the very few countries that has accelerated its renewable energy footprint despite the energy crisis that has seen several countries pause their pursuit of renewable energy goals. The government must be given credit for the way it has played its role and managed this all-round balancing act.

Our belief in our past defines our ability to believe in our future, translating into the big bets that we make in the present. Never have we shied from investing in India, never have we slowed our investments and never have we feared to enter any uncharted territories of adjacent sectors – our resilience comes from this unshakeable belief and robust confidence in the aspirations of our country and countrymen.

45%

EBITDA growth of AEL's incubator business

A culture of resilience

It is India's inherent resilience that provides our nation with its underlying optimism. My belief in our nation has never been higher. To use a cricketing analogy, we are now playing in one of the strongest home grounds and on one of the firmest pitches that has ever existed. This pitch is expected to remain firm for several decades.

Optimism comes from resilience. Resilience comes from belief. And belief is optimism. In our case, it is this resilience, optimism and belief that drives us forward. Our belief in our past defines our ability to believe in our future, translating into the big bets that we make in the present. Never have we shied away from investing in India, never have we slowed our investments, and never have we feared to enter any uncharted territories in adjacent sectors – our resilience comes from this unshakeable belief and robust confidence in the aspirations of our country and countrymen. The success of the Adani Group is based on its alignment with the India growth story.

We have always strongly believed in the policies announced by the government, continued to invest throughout all economic cycles, watched for emerging sectors critical for the country's growth, and entered new sectors with confidence in our learning and operating abilities and more importantly, belief in ourselves. We have grown adjacency by adjacency without getting hung up on conventional business models. We have built infrastructure envisioning a far larger and greater India; a confidence which has paid us dividends.

During this journey of more than 25 years, we have faced our share of crises, stumbled a few times but have always got back on our feet and emerged stronger and with a greater belief in ourselves. It is these experiences and belief in ourselves that have given us our resilience and our optimism for a greater future. It is this future that unfolded over the period 2021-22. This was the year when we announced ourselves to the world.

Preparing to go 'Green'

The best evidence to showcase our confidence and belief in the future is our investment of $70 billion in facilitating India's green transition. We are already one of the world's largest developers of solar power. Our strength in renewables will empower us enormously in the effort to make green hydrogen the fuel of the future. We are leading the race to turn India from a country that is an over-reliant importer of oil and gas, into a country that might one day become a net exporter of clean energy - a 'never-done before' transformation in a stunningly short period of time - a transformation which will help reshape India's energy footprint in an extraordinary way.

Our growth and success have been recognised around the world. Foreign governments are approaching us to work in their geographies and help build their infrastructure. In 2022, we also laid the foundation to seek a broader expansion beyond India's boundaries.

$200

billion, Group market capitalisation

While we now hold a major global renewable energy portfolio, we have made remarkable progress in several other industries. In one stroke, we have become the largest airport operator in India. Around these airports that we operate today, we are engaged in the adjacent businesses of building aerotropolises and creating localised community-based economic centres. We have made entries in sectors ranging from data centres, super apps and industrial clouds, to defence and aerospace, to metals and materials — all aligned with the Government's vision of an Atmanirbhar Bharat.

We continue to grow as builders of India's infrastructure, winning some of the largest road contracts in the nation and growing our already substantial market share in businesses such as ports, logistics, transmission and distribution, city gas and piped natural gas. Our successful IPO of Adani Wilmar makes us the largest FMCG company in the country. And now, we are the second largest cement manufacturer in India as well.

Our combined Group market capitalization this year exceeded US$ 200 billion. We were able to raise billions of dollars from the international markets – a direct validation of confidence in both the India and the Adani growth story. Our growth and success have been recognised around the world. Foreign governments are now approaching us to work in their geographies and help build their infrastructure. In 2022, we also laid the foundation to seek a broader expansion beyond India's boundaries.

> A crucial piece of this jigsaw will be a better-trained, better-educated and technologically nimble workforce with a belief that they can achieve their aspirations and improve their quality of life. I have no doubt we will see this unfold over the next decade.

Robust results, soaring numbers

Our rising market capitalisation has been supported by a robust and sustained growth in our cash flows. Our focus on operational excellence and accretive capacity addition delivered across our portfolio an EBITDA growth of 26%. Portfolio EBITDA stood at INR 42,623 crores. This growth was diversified and was reflected across all our businesses with the results speaking for themselves:

Group Highlights

- Our utility portfolio grew 26%;
- Our transport and logistics portfolio grew by 19%;
- Our FMCG portfolio grew by 34%; and
- Our incubator business, represented by AEL, grew by 45%.

The high growth of our incubator AEL provides the Group with a reliable foundation for the continued development of new businesses for yet another big decade. AEL's unique business model has no parallel and we intend to leverage this further.

Segment Highlights

AGEL:

- AGEL added 1,940 MW operational capacity in FY22 (Green field commissioning: 200 MW, Inorganic addition: 1,740 MW)
- AGEL's Solar CUF improved by 130 bps YoY to 23.8% and wind CUF improves by 400 bps YoY to 30.8% in FY22

ATL:

- Adani Transmission Limited (ATL) added 1,519 circuit km to its network, reaching 18,795 circuit km, and sold a record 7,972 million units during the year.

APSEZ:

- APSEZ cargo volume grew 26% to 312 MM T in FY 22; the journey from 200 MMT to 300 MMT in cargo volume was achieved in the record time of just three years.
- APSEZ also handled record container volume of 8.2 million TEUs, a growth of 14%

ATGL:

- Adani Total Gas Limited (ATGL) added 117 CNG stations, 556 commercial, 154 Industrial and 85840 domestic customers, achieving a combined volume of 697 MMSCM (CNG+PNG)

Strategic Highlights

- Adani Green Energy completed the acquisition of Softbank's 5.3 GW renewable energy portfolio
- AEL commenced operations of its Bravus mine in Australia.
- AEL took over operations of Guwahati, Jaipur and Thiruvanthapuram airports and completed the acquisition of MIAL and NMIAL.

While we may look back and feel content, it is now that we are gathering real momentum. What we have been able to build in two decades is India's largest integrated infrastructure business based on a rapid extension into adjacent businesses. This has resulted in our transformation into an integrated 'platform of platforms' that combines energy with logistics, moving us closer to unprecedented access to the Indian consumer. I today know of no company that has this business model and has potential access to an unlimited B2B and B2C market for the next several decades.

The milestone year

It is here that I want to take a moment to reflect on 2022 as a year with special personal meaning. It represents the 100th birth anniversary of my inspiring father and role model Shri Shantilal Adani, and my 60th birthday. To mark this milestone, the Adani family came together and decided to contribute Rs. 60,000 crores towards charitable activities related to healthcare, education, and skill development, focusing especially on rural India. These three areas should be seen holistically, rather than separately, as they collectively form the drivers for an equitable and future-ready India. We have an opportunity in India to decisively lift tens of millions of people permanently out of poverty. We not only owe it to ourselves but also to our country to do everything we can to catalyse this process. Our experience in large project planning and execution and the learnings from the ongoing work done by the Adani Foundation will help us to uniquely accelerate and implement these programmes in the communities that need them the most.

The road ahead

Getting back to the theme of optimism as a driving force for a society, Martin Seligman, often referred to as the 'father of positive psychology', wrote in the Harvard Business Review that he came to his insights into the power of optimism 'the long, hard way, through many years of research on failure and helplessness.' Essentially, he discovered over several years of studies, that resilient people develop the courage of interpreting setbacks as temporary, local, and changeable. A quote attributed to Winston Churchill echoes Seligman's findings on resilience. "Success is not final," Churchill is supposed to have said, "failure is not fatal: it is the courage to continue that counts."

The reason I am inspired by these quotes is because I am an incurable optimist. I have always believed India is one the greatest countries for an entrepreneur to learn, develop and flourish. Today, I see a real drive in the young Indians to reclaim our economic stature and gain back our position as a pivotal force in global affairs. Undoubtedly, the largest middle class that will ever exist, augmented by an increase in the working age and consuming population share, will have an enormously positive impact on India's economic growth — an outcome of our much-vaunted demographic dividend. A crucial piece of this jigsaw will be a better-trained, better-educated, and technologically nimble workforce armed with the belief that they can achieve their aspirations and improve their quality of life. I have no doubt we will see this unfold over the next decade.

India, today, indeed is the world's firmest pitch on which to bat.

Gautam Adani
Chairman

26%

Portfolio EBITDA growth, FY 21-22

₹42,623

crore, portfolio EBITDA, FY 21-22

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER'S MESSAGE

Adani Transmission is perched at the cusp of an unprecedented sectoral opportunity

Anil Sardana,
Managing Director and Chief Executive Officer

Dear stakeholders,

I am pleased to present my strategic overview.

There is an optimism about the prospects of India's transmission and distribution sectors as well as our position in each of them.

India's transmission sector continues to be one of the most attractive stories coming out of the country's power sector. This optimism is based on a tectonic shift in the country's power generation space, which is driving a restructuring and rethinking of the country's power transmission segment. The world's movement towards renewable energy and distributed generation pockets will warrant new transmission lines and networks. The advent of the general network access (as in the advanced countries) will need a strengthening of the transmission network to enhance the responsiveness of customer needs. The outcome of this tectonic shift is that India's mature power transmission space is now being seen as nascent and sunrise, dotting the cusp of an unprecedented opportunity for companies that are experienced, competent and prepared.

India's power distribution sector is also positioned at an inflection point. Most power distribution companies in the country have been long-standing but illiquid. Due to their inability to invest in infrastructure and last mile connectivity, they appear ill-equipped to address the sweeping transformation in lifestyles across the nation. It is becoming increasingly evident that the only visible stumbling block in the country's growth journey is its power distribution sector, which is proving incapable of growing or modernising its network. Besides, the inadequacy of the last mile of India's power value chain could compromise the entire sectoral stability, putting a premium on its urgent reform at the State level. This reality, while presently depressing, provides a basis for probable privatisation. This could be the mother of all reforms in the country if you take the number of public distribution companies needing to be privatised.

When you put the two realities together, we have reason to believe that India's transmission and distribution spaces represent the most exciting opportunities in India's power sector. Adani Transmission enjoys an advantage in being present in both businesses, enjoying attractive critical mass, experience, entrepreneurial enthusiasm and Balance Sheet robustness to address emerging opportunities.

This inspires the optimism that the Company is positioned at the bottom end of a multi-year J-curve that promises sizable sustainable growth.

The challenges of FY 21-22

The challenges that we had encountered in the year FY 20-21 subsided during the year under review. Even though there was a resurgence of the pandemic during the first and last quarters of the year under review, the Company possessed a reliable playbook.

The Company was better placed to commission projects on schedule and on-site maintenance. This position was catalysed in no small way by the fact that the Company had consistently invested in environment-social-governance as the bedrock of its existence. The various elements of ESG began to kick in during the pandemic months, ensuring safety on the one hand and responsiveness on the other.

The result is that the Company, during the year under review, enhanced its total line coverage to 18,795 ckm. This growth in the Company's network brought it closer to the expressed 20,000 ckm announced until the year 2022. We are optimistic that the rest of this target – a ~6% of the overall number – should be addressed during the current financial year. The ability to achieve our target despite facing one of the most significant social upheavals in living memory is a testimony to our collective capability and commitment.

This achievement was the result of our singular commitment to employee safety, which was manifested in safety measures, social distancing and the remote monitoring of our pan-India installations. These initiatives ensure that our people are engaged only when required and with full safety. The resulting outperformance ensured our business continuity and outperformance. As an extension of their selfless commitment, our Company continued to deliver value to all those who provided equipment, all those who provided loans, all those who provided risk capital, all those living on the periphery of our installations, and all those who we serve. I am proud that by protecting the interests of all our stakeholders, our employees validated the robustness of our holistic eco-system.

Outperformance

At Adani Transmission, we continued to do what we had done in the past: we grew our business around global best practices. We strengthened our operating efficiencies and disciplined capital allocation around a singular resolve: maximise investments in capacities with the objective to generate annuity cash flows and then utilise these cash flows in subsequent reinvestment, creating a virtuous cycle of growth.

Here I have a word of caution for all those who track our quarterly performance in the hope of a disproportionate increase in our operating surplus and cash flows. Adani Transmission is engaged in a capital-hungry business; the capital appetite of our Company is proportionately linked to the unprecedented opportunity in our sector. The tectonic shift that I spoke about represents sizable addition to the country's power transmission sector on the one hand and the privatisation of the country's power distribution sector on the other. If these are to be achieved within a decade, the country will need sizable investment, putting a premium on the quality of our Balance Sheet. As a responsible future-facing organisation, we believe that the only responsible way to be future-ready is to invest all our cash flows in building assets and networks that put us in an attractive position to capitalise extensively and sustainably into the future. This is precisely what we are doing and we believe that by virtue of our front-ended reinvestments, we will have created a sizable critical mass across both businesses to capitalise on the unfolding future.

At Adani Transmission, we are committed to enhancing our capacities in organic and inorganic ways. During the year under review, the Company acquired MUL. The acquired company was incorporated to engage in the business of electric power distribution. The company's 148 ckm distribution network distributed about 371 Mn units. During the year under review, Adani Transmission signed a share purchase pact with Adani Ports and Special Economic Zone to acquire MPSEZ Utilities for a consideration of ₹116.27 Crore. This acquisition will empower ATL to strengthen its power distribution business, leveraging a rich experience in managing small distribution licensee areas. We believe that when distribution businesses are de-licensed, there will be a premium on the competence to grow retail distribution franchises, which is when the full value of MUL will be realised.

I would like to highlight an instance of our competence in emergency preparedness and responsiveness. In May 2021, the Konkan coast (including Mumbai) was affected by Cyclone Tauktae, marked by high wind, heavy rain and uprooted trees. The cyclone reported a wind speed of 114 Km per hour in Mumbai and generated 330 MM of rain in Mumbai. Not only did the Company's team take precautionary action, but following the cyclone's landfall, AEML's network management team swung into action. The Company restored 88% supply of consumers within two hours of their complaints being registered and provided uninterrupted power supply to 97% of consumers.

Thereafter, during the partial grid disturbance on 27th February 2022 in Mumbai, around ~800 MW load was affected for two hours. Nearly 20% of the load emerged in AEML's operating area for a short time. The Company leveraged advanced technology and innovation, which helped enhance systemic reliability.

At the close of the year under review, the Company's businesses were attractively placed. The power transmission business comprised a portfolio of ~ 14,279 ckm under operations and ~ 4,516 ckm under projects being commissioned. The linear increase in the Company's transmission line capacity, coupled with the fact that 85% of the Company's projects (commissioned and under progress) had been won through the TBCB bidding format, validated its competitiveness.

To make its growth holistic and ensure that the upsides of its prosperity reached the last person standing, the Company continued to invest in community projects through Adani Foundation. The Company advanced the cause of women's empowerment through the appointment of women meter readers in a male-dominated role. Besides, the Company launched Women Skill Development Institute with the objective to create a consistent talent pipeline for women's talent.

Competitively positioned

Adani Transmission is one of the most attractive integrated power transmission and distribution companies in India. By the very nature of being present in two businesses, the Company is unique, addressing the upsides of these businesses through scale, knowledge, technology and experience. The Company possesses attractive credentials: it more than trebled its transmission capacity in a mere six years, a record that is unprecedented within the country's transmission space. The Company increased its share of the country's TBCB-influenced power transmission segment from 8% in FY 16-17 to 22% during the year under review.

This market outperformance translated into an operational EBITDA margin of ~92% during the year under review for the transmission segment, one of the highest in the sector. The Company's financials were protected from market cycles or default risks, securing the business model.

While company focuses on organic growth, it will continue to scout for inorganic opportunities (through acquisitions) by focusing on assets or companies where corresponding transmission and distribution assets are being utilised below potential or at higher costs and where the Company's intervention can correct these anomalies.

On the power distribution side, the Company is attractively placed – by the virtue of experience and a strong Balance Sheet – to acquire companies that could be privatised. The Company possesses the experience to enhance discom efficiency: through the mobilisation of long-term debt and net worth achieve financial closure for the Company's long-term capital expenditure.

Attractive prospects

India's under-investment in the transmission sector is likely to correct with speed. In the 2012-2017 period, India's generation capacity grew 64%; transmission capacity grew only 22%. This skew resulted in a low MVA/MW ratio (2.3x compared with 7.0x globally). This imbalance appears to be correcting, creating a ₹8.2 Trn transmission line capacity expansion until FY 28-29; besides, the country's transmission line capacity of 456,716 ckm at the close of FY 21-22 is likely to rise to 8,28,000 ckm by 2034 – a sizable capacity addition in a fraction of the time. Adani Transmission is attractively placed to carve away a large slice of this TBCB-based market, which permits projects to be awarded on biding merit.

As a part of ESG evaluation, S&P Global has publically disclosed that ATL's actions demonstrated its commitment to sustainability. Recently, ATL officially joined the Science Based Targets initiative (SBTi). When acquiring smaller T&D companies to expand its scope and footprint, the Company considers ESG factors-such as asset resilience to physical risks, land use, and biodiversity-and ensures independent specialists complete ESG due diligence before the transaction's closing.

Looking ahead

At Adani Transmission, we are optimistic of prospects. The promoters of our management comprise the following capabilities:

- Augmenting distribution business efficiencies and consumer delight
- Focusing on sustainable operations, reinforcing our position as a sectorial benchmark
- Developing new business models through superior technologies

The Company's distribution business will be reinforced through modern assets, timely service and consumer access. The Company will extend its rich distribution business experience to acquisition opportunities coming out of privatisation. The Company will continue to invest in digitalisation, ESG, global certifications and new age energy resources (hydrogen, fuel cells, efficient battery system and electric vehicle charging stations).

Optimism

As Adani Transmission is perched at the cusp of an unprecedented sectoral opportunity, we wish to assure our shareholders that this growth will not compromise the Company's Balance Sheet. The Company's Capital Management Plan will ensure that the Company's equity side is sweated to its maximum, cash flows are reinvested, debt is prudently mobilised, the growth engine is sustained and value is attractively created.

I must express my gratitude to investors, Board members and the entire team for the commitment to build a reliable, responsible and sustainable network and consumer services management organisation.

Anil Sardana,
Managing Director and Chief Executive Officer

~14,279

ckm, under operations, FY 21-22

~4,516

ckm, projects being commissioned, FY 21-22

CHIEF FINANCIAL OFFICER'S MESSAGE

> “The Company’s operating model, growth, governance and risk management represent a robust long-term stakeholder value-creation platform”
>
> **Rohit Soni,**
> *Chief Financial Officer*

Overview

Adani Transmission is committed to retaining its leadership in India’s private transmission sector and a front-ranking position in India’s power distribution sector.

The Company expects to do what it has done in the past: focus on a complement of environmental stewardship, social responsibility, disciplined capital allocation, opportunity responsiveness and execution excellence.

Performance

The Company reported a creditable performance during the year under review, which validated its commitment to invest in the future instead of only addressing short-term business needs to enhance cash flows.

The result of this long-term approach reflected in the growing gross block and superior financials. The Company’s consolidated operational revenue was placed at ₹10,436 Crore (including one time Income), an increase of 13.8% during the year while consolidated EBITDA at ₹5,493 Crore grew 8.4% over the previous financial year. Consolidated operational EBITDA at ₹4,659 Crore reported an improvement of 10.1% Transmission business operational EBITDA of ₹2,968 Crore was up 15.3% and the Distribution business operational EBITDA of ₹1,692 Crore up 1.9%.

The Company’s profit before tax of ₹1,700 Crore was up 5% and cash profit of ₹3,039 Crore was up 3.8%. Net debt-to-EBITDA in FY 21-22 was within our threshold limit at 4.9x, which must be appraised keeping in mind our revenue predictability and secured cash flows.

Return on Equity was optimised through efficient financing complemented by a consistent Investment Grade credit rating and AAA domestic rating (highest in our sector). On account of revenue growth and a consistent EBITDA margin of ~92% (transmission business), the Company generated attractive free cash flows.

These numbers indicate that even as the Company was engaged in unprecedented asset accretion with a view to build for the future, it was consistently focused on efficient asset management that continued to generate attractive cash flows for the moment – a balance of the immediate and the prospective.

Building the business

Adani Transmission continued to strengthen its business through sustained investments, funds mobilisation, graduation to a higher rating and asset acquisition. These initiatives were in line with the Company's commitment to build a robust asset and technology framework to address the needs of a transforming and modernising India.

The Company continued to prioritise efficient project development, operations and capital management; the result was a high return on equity and capital recycling. These initiatives empowered the Company to engage in timely organic and inorganic expansion without compromising its financials and risk appetite.

The highlights of the Company's achievements comprised the following:

- The Company received its first AAA rating, the first such instance in the Adani Group, for the Company's Alipurduar transmission network.
- The Company completed the financial closure of LBTL (Lakadia Banaskantha Transco Limited), WRSS (Western Region Strengthening Scheme), KVTL (Kharghar Vikhroli Transmission Limited) and ATL HVDC Limited following a mobilisation of US$ 700 Mn facilities from foreign lenders in the form of an ECB as a part of revolving construction facility framework.
- The Company's mobilisation of US$ 700 Mn revolving facility was validated when it received Project Finance International's Asia Pacific Indian Deal of The Year Award.

Operational highlights, FY 21-22

The Company continued to execute projects before time and within budget, widening its transmission network, especially in power-deficit regions, while deepening its Mumbai distribution licensee business along with a widening footprint in the distribution space through the acquisition of MPSEZ Utilities.

Transmission: At Adani Transmission, we are remunerated on the basis of our network uptime. The higher the uptime, the more predictable our revenues, coupled with the incentive of earning a performance bonus. Even as we continued to aggressively widen our transmission network, we focused on the highest targets of transmission system availability. This focus was strengthened by a proactive investment in remote digital monitoring from a centralised location to aggregate specialised competencies and moderate the cost of physical presence across locations. The Company's commitment to protect its high network territory translated into a network uptime of 99.7% during the year under review, compared with an average uptime of 99.8% in the previous financial year.

During the year, the Company continued to widen its transmission network in line with its commitment to achieve 20,000 ckm target by 2022. Despite lingering pandemic challenges, our Company operationalised 1,104 ckm, compared with 780 ckm operationalised during the previous financial year. The Company finished with a total transmission network of 18,795 ckm by the close of the financial year compared with 18,336 ckm by the close of FY 20-21.

This sustained network growth was facilitated by the commissioning of Ghatampur Transmission Limited, Bikaner Khetri Transco Limited and Fatehgarh- Bhadla Transmission Limited projects covering ~1670 ckm during the year. The Company received Letters of Intent for its Karur, Khavda and MP-II transmission lines as well.

A team of ATL experts monitored Operations & Maintenance (O&M) in real-time. This surveillance enhanced the availability of transmission assets. The Company created a specialised diagnostic cell comprising subject matter experts to focus on root causes, corrective and preventive actions related to systemic abnormalities.

Distribution: In the business of power distribution, there was a premium on maintaining a high standard of systemic supply reliability that would make it possible to service thousands of Mumbai customers with reliable power supply. The Company continue to supply power with a network uptime of 99.9% (ASAI). The Company's distribution loss at 6.55% represented an improvement of 127 bps over the previous year, a reflection of best-in-class operating benchmarks. Correspondingly, energy demand improved 11% YOY to 7,972 Mn units, strengthening billing and revenues.

The Company reinforced its commitment to consumer-centric initiatives, strengthening its recall as Mumbai's preferred power supplier. The Company made it convenient for consumers to pay through digital means without needing to step out of their homes or stand in queues at our cash collection centres. The result was that digital payments accounted for 69.7% of collections, compared with 67.1% in the previous financial year. The increase in digital payments strengthened the AEML brand as a company that puts the consumer's convenience first while strengthening cash flows.

The business ensured consistent power supply through sustainability, reliability and affordability. The Company emerged as one of the first Indian utilities to invest in the advanced next-generation SCADA technology, providing a seamless integrated platform with Geographical Information System (GIS), translating into superior service.

The priority of the Company during the year was not just to address the business needs of the day but to build a secure and scalable foundation for tomorrow. In view of this, the Company acquired MPSEZ Utilities Limited, a Group company facilitating the distribution of electricity in Mundra SEZ area (8,481 hectares) as a distribution licensee. The experience that will be derived from this acquisition will make it possible for the Company to address growing opportunities to distribute power across small regions.

Building a robust resource base

At the heart of our competitiveness has been our capital management programme. This programme prioritised interest outflow reduction, extended debt maturity, resource rollover programme and an optimised capital structure. These attributes are critical for a capital-intensive business marked by multi-decade asset relevance. The effectiveness of this multidimensional focus resulted in high growth-adjusted RoCE. There is a constant focus on optimising the cost of funding by securing various instruments and a betterment of the tax structure cum outgo using multiple tax regimes in compliance with all applicable laws.

ATL continues to actively explore the mobilisation of primary equity capital to enhance growth and Balance Sheet integrity.

The Company mobilised US$ 300 Mn under its US$ 2 Bn Global Medium-Term Notes Program through a sustainability-linked 10-year bond, generating a record US$ bond subscription from India in 2021.

ATL raised US$ 700 Mn for its under-construction transmission asset portfolio through definitive agreements signed with leading international banks. The revolving facility will finance ATL's four transmission projects in Gujarat and Maharashtra. This project financing deal is the first of its kind sanctioned by international banks in the transmission sector and validates the overall development model of the Adani Group.

By the close of the financial year under review, the Company's financial structure had secured growth initiatives (organic and acquisitions) with a large, competitive and extended pipeline of funds. These initiatives de-risked the Company and provided growth resources to capitalise on sectorial opportunities.

Strengthening sustainability and derisking

At Adani Transmission, we built our business with the objective to moderate our environment footprint and help society in doing so as well.

During the year, the Company mobilised US$ 700 Mn in one of Asia's largest revolving project financing deals. This senior debt facility, contracted with eight international banks, will finance the Company's under-construction transmission network portfolio and graduate the company closer to its goal of 20,000 ckm of transmission lines by 2022.

The unique capex revolving structure provides funding of US$ 1.1 Bn on a fully drawn basis, validating the Company's credentials in enhancing its liquidity through international banking markets, coupled with domestic as well as global public and private debt capital market issuances. This deal will take the Company's environment-focused agenda ahead: fully finance the under-construction transmission projects in four SPVs in Gujarat and Maharashtra that establish a green corridor and strengthen the grid. The facility is a step towards energy transition, wherein projects in Gujarat are part of the green energy corridor developed to facilitate the dedicated transmission of renewable energy. The projects, being implemented in Maharashtra, will strengthen the transmission system to overcome the technical constraints of the renewable energy interface into the grid, ensuring grid stability and the integration of green energy into Mumbai. This will empower AEML to procure at least 60% of its power needs from renewable sources (8% today), a decisive step in graduating India's financial capital into a low carbon destination.

The Company won the Asia Pacific Indian Deal Of The Year Award for this transaction. The award validates the overall Capital Management Program and associated Platform Infrastructure Financing Framework.

The platform infrastructure financing framework merges the capex program of ATL with the capital allocation from banks in the most efficient manner to ensure that overall capital stewardship is maintained through our capital management philosophy focused on equitable growth.

Besides, AEML announced a US$ 2 Bn Global Medium-Term Notes Program (GMTN) program, the first such GMTN program by an energy utility player in India. This was India's first energy sector sustainability-linked bond with legally binding ESG targets for renewable energy penetration and reduction of GHG emission intensity in line with COP26 goals. The issue attracted significant interest from marquee global investors, the issue being oversubscribed 9.2 times. AEML's Capital Management Plan enters the second phase with 100% of the term debt being placed in the international capital markets, the overall maturity increasing to ~9 years. The transaction marks several firsts for India: the tightest coupon ever by a BBB- rated utilities issuer in Asia (ex-Japan), the largest order book oversubscription ever for a 10-year ESG bond issuance in Asia (ex-Japan) and the first Sustainability Linked Bond (SLB) issuance from an Indian utility.

The Company took its environment commitment ahead through an active rainwater harvesting programme. It rain-harvested over 233 Mn litres of water, equivalent to the annual drinking water requirement of more than 116,000 people. Multiple actions on the ESG front resulted in DJSI - S&P Global Corporate Sustainability Assessment (CSA) ESG ranking score of 63 out of 100 as against a score of 42 in the previous year.

AEML set challenging renewable penetration targets, showcasing its commitment to net zero emissions. It committed to the short-term reduction target of Green House Gas (GHG) Emission Intensity by 60% from the FY 18-19 level to be aligned with COP26 targets. Besides, the Company targeted 70% renewable energy penetration by 2030.

> AEML announced a US$ 2 Bn Global Medium-Term Notes Program (GMTN) program, the first such GMTN program by an energy utility player in India.

Strong governance

The Company's operating model, governance and risk management represent a robust long-term stakeholder value-creation platform. The Company's market analysis and risk review framework enhance its responsiveness to emerging realities. The Company promoted operational excellence and deepened stakeholder trust. To strengthen the governance framework, the Company created multiple Board committees like corporate social responsibility (CSR), risk management, stakeholder relationship and inducted a woman Director into the Board for greater diversity independence and sustainability goals. To protect shareholder interests, the Company engaged with capital providers and offered necessary insights into business and capital allocation decisions. The Company continue to strengthen its environmental-social-governance (ESG) culture; it is striving to enhance disclosures and alignment with global standards by benchmarking against global practices.

10,436

₹ Crore, operational revenue, FY 21-22 (Including one-time Income)

1,236

₹ Crore, profit after tax, FY 21-22

Going forward

In FY 22-23, the Company will focus on operational, financial and ESG priorities to enhance value for stakeholders. The Company thanks all stakeholders, internal and external, for their support. I would like to thank the team for its commitment to build a stronger company that enhances value for all stakeholders.

Rohit Soni
Chief Financial Officer

Our awards

Greentech Corporate Governance Award 2022 for Excellence

Platinum, Gold and Silver award in Environmental and Economic Sustainability Category from CII

Felicitation from Ministry of New and Renewable Energy (MNRE) for the submission of energy compact goals at United Nations at COP26

Safety Excellence Award 2021 for Outstanding Safety Excellence from Greentech

Project Finance International's (PFI) Asia Pacific Indian Deal Of The Year Award for US$ 700 Mn revolving facility

Greentech Transformative Human Resource Award 2021

CHIEF SUSTAINABILITY OFFICER'S STATEMENT

ATL formalised an ESG Strategy and Steering Framework with the goal 'To be among the top companies in the world for ESG benchmarking of Electric Utilities by FY 22-23'.

Praveen Anant,
Chief Sustainability Officer

Overview

Adani Transmission Ltd (ATL) is India's largest private power transmission and distribution company with the ambitious vision to commission 30,000 ckm by 2026.

ATL is committed to complete the construction of a new transmission line within the time frame as per the conditions of the bid and operating the infrastructure to ensure a normative availability for earning revenues as a part of the Business-to-Business (B2B) model. ATL is also engaged in the Business-to-Customers (B2C) segment through Mumbai electricity distribution, for which it sources power from generating companies, including a 500 MW conventional fuel-based power plant outside Mumbai.

The business structure generates material issues identified through stakeholder engagement (detailed in this report). Some material issues are obvious. Climate change adaptation and mitigation represent a material issue as the Company operates a coal-based power generating station and sources electricity from this supply chain for onward distribution. Bio-diversity is a material issue, as transmission lines usually need to cross through terrains.

A responsible community engagement is necessary for a social license to construct and operate; ATL projects need to be completed within a stipulated time. ATL mobilises funds from different routes, including the bond market; it is committed to different environment and social standards like TCFD (Task Force on Climate-Related Financial Disclosures), IFC Environment and Social Standards, Equator Principles, Principle of Responsible Investing (PRI), ESG Metrics of World Economic Forum, Standards for Sustainability Reporting published by Global Reporting Initiatives (GRI) and UN Global Compact Principles. The investor and lending institutions are also concerned about governance practices that prompt investment decisions.

The material issues are being addressed on priority with a long-term strategic plan. This report addresses the management's approach on material issues frequently required by investors.

Goal

ATL formalised an ESG Strategy and Steering Framework with the goal 'To be among the top companies in the world for ESG benchmarking of Electric Utilities by FY 22-23'. The ESG framework is aligned with the strategic vision of the ATL Board of Directors, integrating ESG into the business. ATL's ESG framework rests on three strategic pillars - 'Commitment towards Global Climate Actions', 'Corporate Citizenship Enabling Social Transformation' and 'Responsible Business Practices'. Each material issue warrants actions for improvement and key performance indicators (KPIs).

ATL's governance commitment extends beyond the compliance needs of Securities and Exchange Board of India (SEBI) and the Companies Act, 2013. Besides mandatory Board committees, as per applicable regulations, the Company has established a Sustainability and CSR Committee with additional terms of reference to oversee sustainability. By a resolution of the Board of Directors, responsibilities of regular monitoring, reporting and public disclosures of the ESG performance are delegated to the chair of the management (presently Managing Director and Chief Executive Officer).

Structured teams support the CEO in discharging this function. An Apex ESG and Sustainability Committee is a body of all functional leaders and operating site leaders, chaired by the CEO. One level below the Apex Committee is an ESG Working Group (ESG-WG), a cross-functional team guided by the Chief Sustainability Officer. For energy, quality, environmental and other business aspects, ATL's management systems are benchmarked as per ISO standards. Management representatives from different systems support the CEO in consistent performance improvement.

Frameworks and standards

The Company has adopted internationally renowned frameworks and standards to align its ESG disclosures. During the reporting year, the Company disclosed its climate change and risk management measures on the CDP platform. Besides, ATL disclosed the performance of material issues as per GRI Standards and Sustainable Development Goals (SDGs). ATL mapped disclosures in line with TCFD recommendations and UNGC principles in the ESG section of the Integrated Report and a dedicated Sustainability Report.

ATL comprises a systematic process of materiality assessment for reporting and public disclosures. This includes a process of stakeholder identification and engagement guided by GRI and ISO standards. An inside-out view of material issues is calibrated with periodic stakeholders' engagement and prioritised reporting.

Various initiatives for improvements across all ESG pillars are identified by the working group. During the year under review, the Company implemented a Clawback Policy and made additional public disclosures in line with the expectations of prominent ESG evaluation agencies comprising S&P Global, Dow Jones Sustainability Index, Morgan Stanley Sustainability Index and Sustainalytics.

SDG-aligned

ATL defined targets in line with Sustainable Development Goals (SDGs). SDG-13 for Climate Action is one of the goals adopted by ATL. The target for GHG emissions reduction was in line with India's Nationally Determined Contribution (NDC), disclosed by the Company in terms of a reduction in GHG per unit of revenue. A Sensitivity Analysis helped in assessing the climate change-related risks inherent in ATL's operations. The organisation conducted a climate scenario-based analysis using IPCC's RCP 4.5 (medium emission) to assess climate risk and impact to its operating and related project site. In FY 21-22, ATL committed to the SBTi 1.5°C trajectory.

ATL is developing new High Voltage DC transmission lines to evacuate electricity from renewable energy generation hubs and transmit to load centres and megacities. In a first-of- its-kind national initiative, ATL rolled out 'green tariffs' to reinforce its alignment with SDG-7 'Affordable and Reliable Energy'.

ATL was one of 20 Indian companies to sign the UN's Energy Compact. ATL received commendation from UN Energy for its commitment towards SDG:07. AEML's goal is to increase the share of renewable power procurement from 3% to 30% by FY 23 and to 70% by FY 30 in support to SDG 07. Adani Electricity Mumbai Limited intends to achieve a 40% reduction in GHG emission intensity by FY 25, 50% reduction by FY 27 and 70% reduction by FY 30, aligned with SDG 13 for Climate Change Mitigation. The Company will empower Mumbai customers to select their renewable energy and earn Green Power Certificates. AEML consumers who opt for green tariff will receive a Green Power Certificate each month, making them active participants in the world's carbon footprint reduction.

All subsidiaries and 100% operations of ATL are covered by the Integrated Management System (IMS) for Quality, Environment, Safety, and Energy and Asset management and certified against ISO standards for these aspects that are ISO:9001, ISO:14001, ISO 45001, ISO 50001 and ISO: 55001, respectively. Further, during the reporting year, the Company improved the scope of its management systems by adopting Business Continuity (ISO: 22301) and Information Security (ISO: 27001 , ISO 26000 and ISO 27031): 96% of its subsidiaries and operations were certified for the same. The Company adopted the framework of Social Accountability as per the requirement of the SA 8000 standard in its major subsidiaries. The Management Representative (MR) and IMS Governing Council drive management systems.

The zero waste-to-landfill initiative commenced, attracting a corresponding certification for the 500 MW power generating station and 100% of transmission assets under O&M. The MD & CEO signed a Bio-diversity Policy to conduct business with no-net-loss to biodiversity. ATL became a signatory to the India Business and Biodiversity Initiative (IBBI), a Ministry of Environment, Forest and Climate Change initiative with the Confederation on Indian Industry (CII) as the nodal agency. A representative from ATL contributed to one of the focused groups of IBBI members formed by CII. As per an ESG evaluation of ATL by S&P Global, ATL set high standards of transparency. ATL disclosed its alignments with the TCFD recommendation in public domain through its sustainability report. S&P Global has rated ATL as a Company aligned with all eleven elements of the TCFD and fully aligned with six elements.

The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their disposal covered the trade of plastic waste. In 2019, the Conference of the Parties to the Basel Convention decided on ways to address plastic waste. As various countries strengthened their legal framework to control plastic waste, India promulgated the provisions to control plastic waste. On 15th August 2019, the Prime Minister of India announced that India would phase single-use plastics (SUP) out by 2022. ATL embraced this as an opportunity to align with the nation's priorities by embarking on an ambitious project to become SUP-free across all operating and project locations. During the reporting year, the 500 MW power generating station at Dahanu achieved the SUP-free certification; three major sub-stations in the transmission network also achieved this certification from CII. By achieving single-use plastic-free status, the Company complied with Sustainable Development Goal #12 (sustainable consumption and production patterns).

Water neutrality focus

During the reporting year, ATL embarked on the goal to become 'net water neutral' for its transmission business. A Sensitivity Analysis was conducted to analyse the baseline Water Stress Level and Drought Risk Level across key operating sites using India Water Tool and WRI's Aqueduct Tool.

The ESG aspect and risk management were facilitated through an Enterprise Risk Management System based on the COSO framework guided by the Chief Risk Officer. The risk management framework comprised provisions to evaluate, prioritise and escalate risks to the highest governing body.

The ESG initiatives and goals of the Company have been covered in this report in a detailed manner.

We intend to deepen a connection with our stakeholders and welcome feedback at cso.transmission@adani.com

Praveen Anant
Chief Sustainability Officer

PART 3

Our Integrated Reporting Section

Approach to reporting

At Adani Transmission Limited (ATL), we began our Integrated Reporting journey in FY 18-19 in an endeavour to provide transparent holistic communication to our stakeholders. This is our fourth Integrated Report, where we continue to demonstrate how ATL creates long-term value for stakeholders. Through this Report, the Company has disclosed its financial and non-financial performance during FY 21-22 with information on governance, strategy, performance and outlook. The key non-financial aspects include the Company's operations and its Environmental, Social and Governance (ESG) performance. The statutory section of the report is an account of the financial, risk and capital management disclosures supported by annual financial performance of material subsidiaries and consolidated structured entities. The ESG section provides information regarding stakeholder relationships, material matters, risks cum its opportunities, and forward-looking strategy.

Standards and framework

The narrative sections of the Report follow the Integrated Reporting Framework by IIRC. The statutory sections, including the Directors' Report, its annexures, including the Management Discussion and Analysis (MDA), and the Corporate Governance Report, are as per the Companies Act, 2013 (including the rules framed thereunder); Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and the revised Secretarial Standards issued by the Institute of Company Secretaries of India. The financial statements are in accordance with the Indian Accounting Standards.

Boundary

The Report covers information on Adani Transmission Limited (ATL) and its material subsidiary including Mumbai Generation, Transmission and Distribution (GTD) housed under Adani Electricity Mumbai Limited (AEML). Our ability to create value in the short, medium and long-term is impacted by multiple factors, including the externalities, operating environment, responses to risks and opportunities, and our chosen strategy. Through this Report, we provide a context to what we deem as our material topics.

Board and Management Assurance

We apply a risk-based, combined assurance approach to the Company's operations. Internal controls, management assurance, compliance and internal audit reviews, as well as the services of independent external service providers support the accuracy of disclosures within our published reports. In line with their respective mandates, specific reports are reviewed and recommended to the Board for approval by the Audit, Stakeholder Relationship, Risk, CSR & Sustainability, Remuneration & Nomination and Securities Transfer. For FY 21-22, External assurance is conducted for data across material ESG indicators as per ATL's policy with the objective to include in the Integrated Annual Report and the website. Deloitte Haskins & Sells LLP (Firm Registration no. 117366W/W100018), our statutory auditors, have audited our annual financial statements. Information relating to the scope and conclusions of these statements can be found in the Independent Auditor's Report, and the Company's annual financial statements. Fees paid to the statutory auditor for the non-auditing engagement were 8% of the total fees paid to statutory auditors. The Board of Directors and Management Team acknowledge their responsibility for ensuring the integrity of this Report. The Board has applied its collective mind and believes it addresses all material issues and presents the integrated performance of the Company and its impact in a fair and accurate manner. Stakeholders can review the Report and provide feedback at investor.relations@adani.in

Capitals and value creation

As an integrated electric utility, we play an important role in the development of the nation, people and business. Our relationships with our stakeholders play a key role in delivering essential services, as we pursue our ambition to create a positive impact on society and shareholder value. We monitor the impact and outcomes of our business activities on the six Capitals through stakeholder engagement and risk evaluation process.

Our ability to create long-term value (outputs and outcomes) is interrelated and fundamentally dependent on the Capitals available to us (inputs) and how we use them (value accretive activities).

Financial capital

We judiciously deploy the funds that we raise and ensure that we enhance and add value to financial returns.

Manufactured capital

Our manufacturing assets, plant, property and equipment form our manufactured capital.

Human capital

The collective skills and experience of our workforce add value to our business outcomes.

Intellectual capital

With our proprietary knowledge and innovations we drive to improve our processes and products, we add value to our business outcomes.

Social and relationship capital

Our relationships with our stakeholders in the value chain and communities around us help us fulfill our role as a responsible corporate along with long-term value creation, while also ensuring our social license to operate.

The Capitals we have reviewed

Natural capital

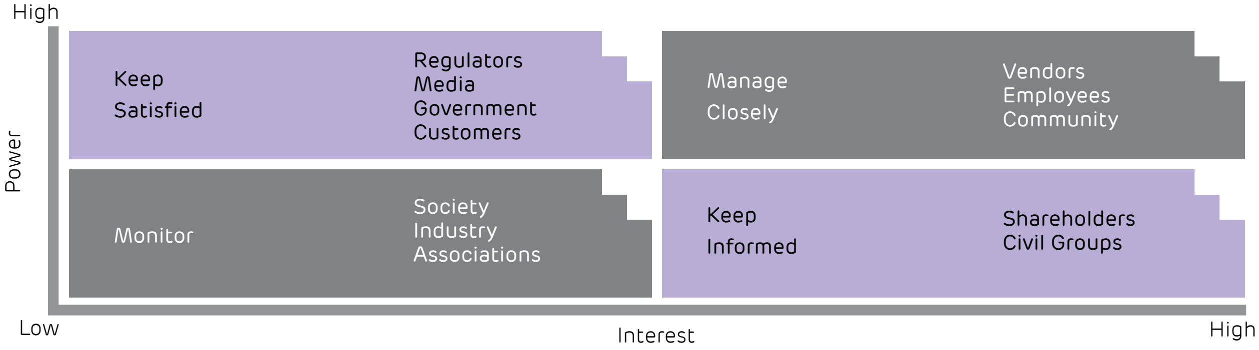
While we depend on the raw materials sourced from nature, we ensure that through our efficient operations, we make optimum use of the resources, have minimum impact on the environment and reduce our carbon footprint.

Forging long-term relationships with stakeholders

Overview

The insights and needs of our stakeholders represent the cornerstone of enduring engagements. We have identified our stakeholders as persons, groups or organisations directly impacted or influenced by our actions, as well as those persons, groups or organisations who can reasonably impact us. ATL deploys a Stakeholder Relationship Matrix to support the management of its complex network of relationships, monitoring the expectations and results of engagement activities. This matrix allows for the regular monitoring of key relationship networks with the possibility of anticipating and investigating the potential impacts of our business on stakeholder groups, enabling a more structured management of operational realities. ATL engaged with stakeholder groups – employees, investors, vendors and community – who were mapped based on their criticality index for the organisation and their capacity to influence decisions. Besides alternative platforms of engagement and gathering information through Town Hall meetings, vendor meets and annual appraisal process, among others, the Company conducted a stakeholder engagement process to evaluate the positive and negative impacts of its business.

Stakeholder relationship matrix



Understanding stakeholder expectations

ATL engaged with stakeholder groups using various methodologies to generate output. For instance, customised online questionnaires (with respect for anonymity) helped gather inputs from employees and vendors. Members of communities likely to be impacted by our projects were engaged through focused discussions. Investor feedback was also considered. These responses were analysed. A threshold of 15% disagreement was considered to categorise an issue as a concern and a disagreement of 40% or above was mapped as a material topic. An action plan to address these concerns was implemented and will remain an ongoing activity.

Employees
- Online questionnaire

Vendors
- Online questionnaire

Community
- Focus group discussion

Investors
- Feedback report

Shareholders, investors, financial institutions and auditors

The importance of this stakeholder	**As capital providers, they represent key stakeholders in our corporate journey.**
Stakeholder expectations	▪ Compliance with laws and regulatory requirements ▪ Return on Investment/dividend ▪ Timely interest and debt repayment ▪ Social and environment performance ▪ Company strategies ▪ Corporate governance ▪ Timely communication ▪ Anti-corruption and ethical behaviour
Frequency of engagement	**Quarterly, annual and need-based**
Mode of engagement and communication	▪ Annual Reports ▪ Sustainability Reports ▪ Annual General Meetings ▪ Communication to stock exchanges ▪ Investor engagements ▪ Quarterly conference calls ▪ Rating agency notes ▪ Engagement with research analysts ▪ Information on the website
Parameters	**• Credit rating** **• Risk management** **• Governance index**

Human Resources (employees and families)

The importance of this stakeholder	**Our employees represent the foundation of our growth aspiration and achievement. Our capacity to retain and renew them, coupled with team working, is essential for our growth.**
Stakeholder expectations	▪ Respect and dignity ▪ Non-discrimination and fair treatment ▪ Talent management, learning and skill development ▪ Career planning and growth ▪ Work-life balance ▪ Work environment ▪ Health and safety ▪ Fair remuneration, job clarity and job security ▪ Grievance redressal ▪ Proactive communication ▪ Ethical behaviour
Frequency of engagement	**Continuous, monthly, half-yearly and need-based**
Mode of engagement and communication	▪ Performance appraisal ▪ Newsletters ▪ HR online surveys ▪ Emails ▪ Town Hall / open-house meetings ▪ Health, Safety and Environment (HSE) committee meetings and safety alerts ▪ Apex meetings ▪ Policy communication ▪ Portal/intranet ▪ Family get-togethers ▪ Co-created HR policy ▪ HR connect ▪ Open-door policy ▪ Online survey
Parameters	**• Attrition rate** **• Employee Engagement Score**

Customers

The importance of this stakeholder	**Customers are users of our services. In view of this, the Voice of Customer is key to course correction (if needed), engaging with evolving customer realities, protecting our brand and sustaining our cash flows.**
Stakeholder expectations	▪ Conformity to contractual conditions, SLAs and availability ▪ Compliance with regulatory requirements ▪ Grievance redressal ▪ Anti-corruption and ethical behaviour ▪ System availability ▪ Uninterrupted power supply ▪ Safe product
Frequency of engagement	**Continuous and need-based**
Mode of engagement and communication	▪ Emails ▪ In-person meetings/letters ▪ Telephone calls ▪ Progress and performance reports ▪ Feedback call from the CEO's office ▪ 24x7 call centre ▪ Chatbot
Parameters	**Customer Satisfaction Index**

Governments, Local Administration and Statutory and Regulatory Authorities

The importance of this stakeholder	**They ensure a validation of our compliance, interpretation of regulations and provide the key to uninterrupted operations.**
Stakeholder expectations	▪ Compliance and taxes ▪ Timely responses to queries ▪ Anti-corruption ▪ Disaster and relief management ▪ System reliability ▪ Corporate Social Responsibility ▪ Cyber security management ▪ Information security management
Frequency of engagement	**Need-based and continuous**
Mode of engagement and communication	▪ Emails ▪ In-person meetings/letters ▪ Telephone calls ▪ Progress and performance reports ▪ Petitions ▪ Accident incident reports ▪ Returns under applicable laws
Parameters	**• Aggregate Technical and Commercial (AT&C) losses • Scope 1 + 2 emissions • Average availability of operational transmission assets • Share of renewable in total power procured • Meetings/seminars attended by the leadership team annually**

Engineering, Procurement and Construction (EPC) and Supply Chain Partners

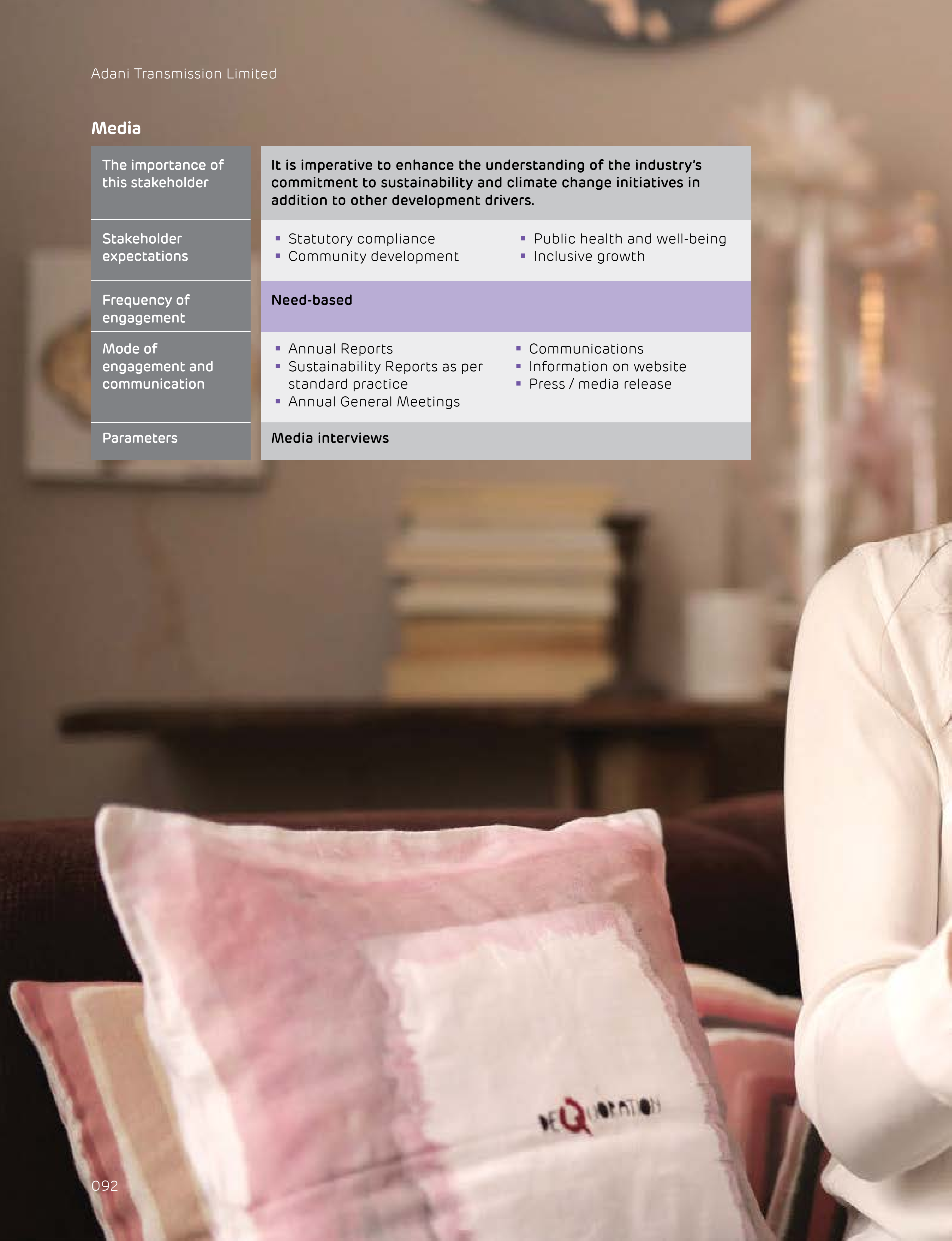
The importance of this stakeholder	**Our operations are dependent on the timely availability of inward supplies, raw material quality and services, which influence our project construction and delivery.**	
Stakeholder expectations	▪ Fairness and transparency in contractual processes ▪ Competence development of supply chain partners ▪ Security at workplace ▪ Timely payment and honouring commitments	▪ Long-term association ▪ Clarity in terms and conditions ▪ Guidance and co-ordination related to quality, environment, health and safety at site ▪ Anti-corruption and ethical behaviour
Frequency of engagement	Continuous and need-based	
Mode of engagement and communication	▪ Contract/general conditions of contract audits ▪ Feedback and evaluation reports ▪ Vendors/ partners meet ▪ In-person meetings ▪ Tool-box talks	▪ HSE meetings ▪ Emergency response drills ▪ Progress reports ▪ Monthly meetings ▪ Online survey
Parameters	**• Safety incidents**	**• Vendor Satisfaction Index**

Local Communities, NGOs and General Public

The importance of this stakeholder	**A harmonious relationship with communities in regions where we have assets is key to our social license to operate. They are partners in our progress**	
Stakeholder expectations	▪ Social need identification and community welfare ▪ Grievance redressal ▪ Fair process and evaluation of any losses and compensation ▪ Proactive communication	▪ Environmental protection and non pollution ▪ Indigenous rights ▪ Emergency response and disaster management
Frequency of engagement	Continuous and need-based	
Mode of engagement and communication	▪ Community engagement and local community meetings ▪ Newspapers and CSR volunteers ▪ Hoardings	▪ One-on-one meetings with farmers ▪ Gram Panchayat / Gram Sabha ▪ Sustainability Reports ▪ Focused group discussion
Parameters	**• Number of NGO partners**	**• Diversity index**

Media

The importance of this stakeholder	**It is imperative to enhance the understanding of the industry's commitment to sustainability and climate change initiatives in addition to other development drivers.**
Stakeholder expectations	▪ Statutory compliance ▪ Community development ▪ Public health and well-being ▪ Inclusive growth
Frequency of engagement	**Need-based**
Mode of engagement and communication	▪ Annual Reports ▪ Sustainability Reports as per standard practice ▪ Annual General Meetings ▪ Communications ▪ Information on website ▪ Press / media release
Parameters	**Media interviews**



BUSINESS MODEL

How our business model has been structured around value-creation

Our value-creation paradigm

Capitals	Inputs	Value created
Financial capital	• Equity: ₹11,007 Crore (including Non-Controlling Interests) • Net long-term debt: ₹24,933 Crore	**Proposed transmission network of** **30,000 ckm** **and distribution meeting the target of 4.5 MVA per customer by 2026** **Business Process** • Power T&D • Bulk power sourcing with increasing green power share • Investment decisions/ plans based on long-term vision and mission • Asset creation **Supporting Mechanisms** • Governance and risk management • Risks and opportunities • Performance • Strategy and resource allocation • Outlook
Manufactured capital	• Operational transmission lines: ~14,279 ckm • Generation capacity: 500 MW • Solar power capacity: 3.362 MWp • Presence in states: 13 • Distribution area and consumers: 400 sq. km (AEML), 84.81 sq. km (MUL) and 12 Mn+ consumers	
Intellectual capital	• Brand name • Business processes: Agile and Synergy • IT enablement in project and operations • E-Vidyalaya (Skillsoft Percipio) for corporate learning	
Human capital	• Workforce: 11,178 • New recruits: 149 • Amount spent on employee training and development: ₹2.84 Crore	
Social and relationship capital	• CSR expenditure: ₹0.26 Crore on standalone basis and ₹23.14 Crore on consoldiated basis • Employee volunteering for CSR activities	
Natural capital	• Water consumed: 1,798.17 ML • Environment expenditure: ₹70.74 Crore • Afforestation: 441 hectares	

ATL's business model is focused on creating long-term value for stakeholders through revenue and profit growth, efficiency and operational excellence.

Distribution

12 Mn+ consumers

Business Activities

AGILE SYNERGY

Outputs	Outcomes
• Revenue from operations: ₹11,258 Crore • PAT: ₹1,236 Crore • RoNW: 16.32%	**For providers of financial capital** We deliver consistent, profitable and responsible growth
• Transmission availability: 99.7% • New transmission lines operationalised (including MUL): 1,252 ckm • Thermal power generation: 3,338 MUs • Power distribution (including wheeling): 9,723 MUs sold	**For customers** We provide reliable power supply and customised solution for affordable power to high value consumers. We also closely engage with our customers for addressing queries, provide support & gain feedback for continuous improvement
• New systems and processes implemented • Robust process of safety management, training and awareness	**For suppliers** We ensure an optimum supply chain with competent suppliers for seamless operations. We also engage and collaborate with our suppliers for knowledge enhancement, process improvements and product applications.
• Diversity of workforce • 16.43 average behavioral and technical training hours per employee • 31 LTI and Zero fatality	**For our people** We strive to provide equal opportunities to all our employees, and ensure capacity building, training and a safe work environment
• No community grievances or infringement of indigenous community rights reported: Zero	**For communities around us** We contribute towards improving the living conditions of the communities around us through our CSR activities and at the same time ensure that our production processes do not have any adverse impact on the environment around us
• Waste water recycled: ~199 ML • 100% of current fly ash utilisation	

Materiality assessments

The issues that influence value-creation

Comprehensive materiality assessments identify the levers with the highest potential to influence long-term value-creation. ATL's materiality commitment ensures that the relevant priorities are short-listed through the process of stakeholder engagement and external impact assessments (especially for our O&M and projects).

ATL has established effective stakeholder engagement governance with direct Board oversight through its Stakeholder Relationship Committee (SRC). The Committee of the Board reviews the stakeholder engagement activities of the organisation.

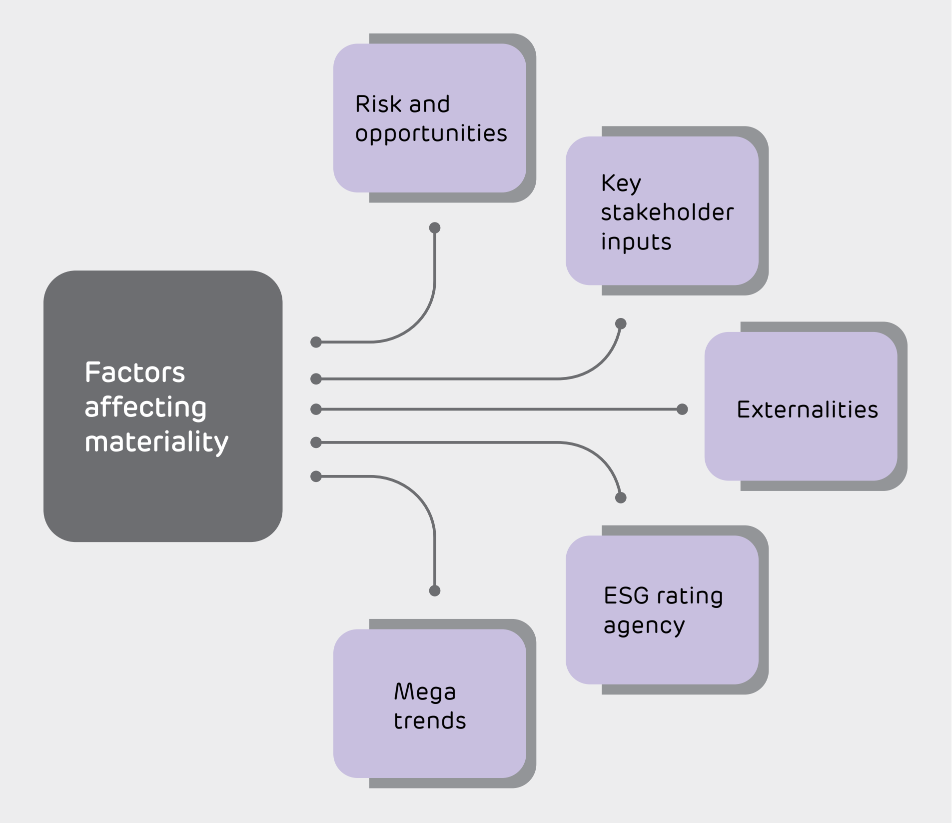
The Chief Sustainability Officer (CSO) of ATL retains executive level responsibility for establishing and maintaining the stakeholder engagement strategy and processes. The SRC is briefed on the effectiveness and proceedings of stakeholder engagement on quarterly basis.

ATL has established detailed procedures for stakeholder identification, prioritisation and engagement. Stakeholder accountability, engagement and grievance redressal mechanisms are effectively covered under the Integrated Management System of ATL under the requirement of Clause 4.2 of ISO 9001, 14001, 45001, 27001 standards. The stakeholder identification and engagement mechanism are also covered under ATL's CSR policy.

As a part of the importance of this process, our priorities are periodically appraised, which ensures that our processes (including integrated risk management, strategy planning, stakeholder engagement, operational performance and reporting) are completely synced. Besides, it is imperative to align material topics with ESG risks. The rationale for this approach is that it facilitates the integration of long-term risks into Enterprise Risk Management (ERM), resulting in strategic clarity and corresponding resource allocation. Interestingly, the identification of material topics is not limited to this process. ATL draws insights from various sources, including global trends, ESG rating agencies, externalities and key stakeholders with the objective to create short, medium and long-term value.

The Company identified the following megatrends

- Transition to clean energy
- Regulation
- Climate change
- Digitalisation
- Transforming consumer priorities
- Business model transition



Process

ATL analysed ESG topics with reasonable impact on the business that could limit our ability to create value in the short, medium and long-term. The analysis factors stakeholder priorities, including that of investors – ESG risks and opportunities, mega trends and externalities.

Employees

ATL, and its subsidiaries, including AEML

Identify

- Key stakeholder perspective
- Investor perspective
- Megatrends
- Externalities
- Risks and opportunities

Prioritise

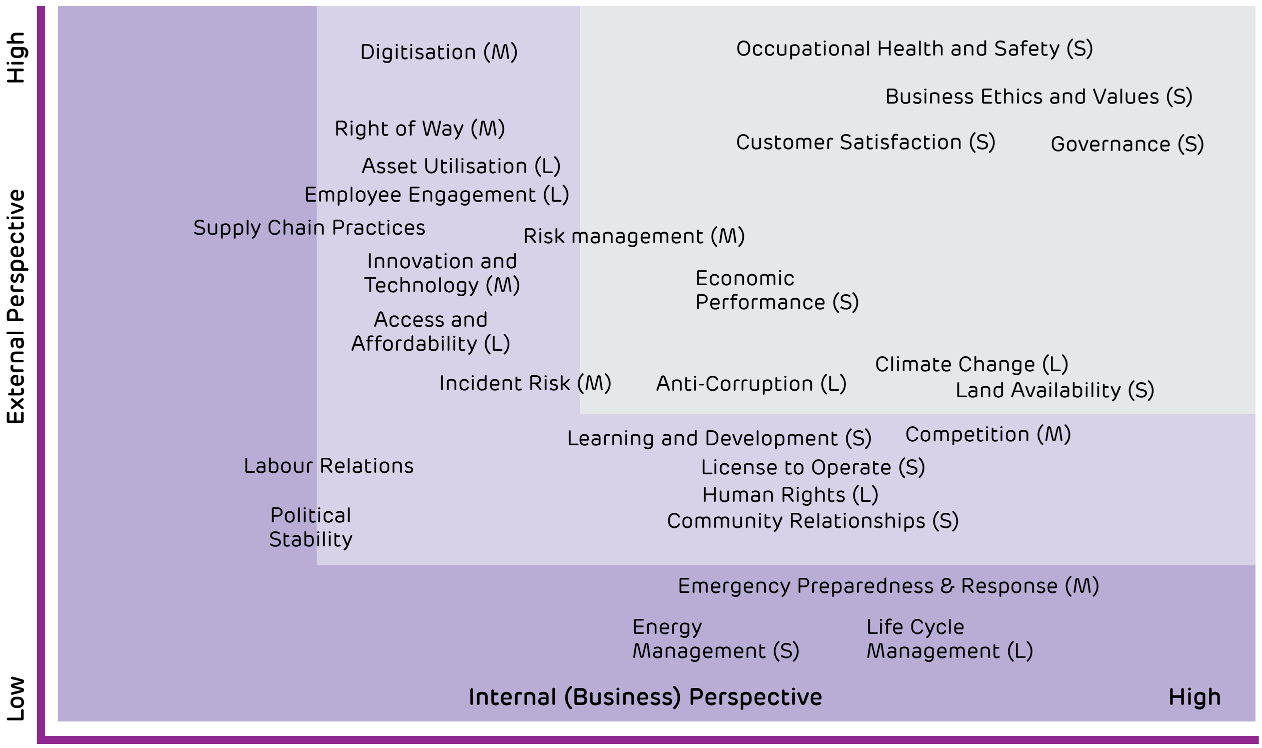
Parameters that impact our ability to create value in the short, medium and long term

Management review

Review of prioritised topics by the top management

Materiality map

The topics are rated on a scale of low to high, based on business importance and external perspective. The topics that are most material to the business are highlighted in the right corner of the scale. The topics of medium importance are placed in the middle and those of low concerns are at the left corner. The topics are also mapped against their impacts in the short, medium and long term, denoted as S, M, and L, respectively. Most of the topics could be evaluated based on a time frame. However, there are some topics, such as business ethics, that do not have a time frame and may impact the business, regardless.



Content marked in green are material topics that do not have a time frame and are carried out on a continuous basis

ATL's key material topics presented Capitalwise

Capitals	Key material topics impacting capitals
Financial capital	Risk management, economic performance, governance, emergency preparedness, responsiveness competition
Manufactured capital	Energy management, life cycle management, asset utilisation, right of way and land availability
Human capital	Learning & development, occupational health and safety, employee engagement, labour relations, human rights and incidents risk
Intellectual capital	Digitalisation, innovation and technology
Social and relationship capital	Business ethics and values, supply chain practices, access and affordability, license to operate, community relationships, political stability, customer satisfaction and anti-corruption
Natural capital	Bio-diversity and climate change

Our roadmap forward a lower carbon footprint

ESG	Parameters	Targets
Environmental	▪ Technological advancement for minimal downtime during maintenance, leading to better availability and increased EBITDA ▪ Rooftop solar installation at substations for auxiliary power consumption ▪ Renewable power procurement ▪ Reduction in pollution due to fly ash utilisation	▪ Rooftop solar installation at all operating and under construction substations ▪ Renewable power procurement: 30% by FY 22-23, 60% by FY 26-27 and 70% by FY 29-30
Social	▪ Better vendor management – development of local workforce to meet industry best benign practices ▪ Industry leading supply reliability ▪ 24x7 customer care availability – better responsiveness, lesser consumer attrition and stable cash flows ▪ Customer service at finger tips	▪ Strong focus on social upliftment and safety through various community programmes and safety initiatives ▪ 'Quality of life' imperative being pursued through capacity building social initiatives with marginalised communities ▪ Skill development programmes for women being administered
Governance	▪ Board independence ▪ Related Party Transactions (RPT) as per covenanted structure ▪ All the above factors led to the highest international rating in the transmission sector in India – leading to cost savings and access to a larger pool of capital	▪ Independent Directors at all subsidiaries, Board and Committees ▪ Adoption of additional policies as per ESG norms.

Strategic priorities

Framework for delivering on objectives

Strategic focus areas	Key objectives	Capitals impacted	Outlook
Safety culture	▪ Safety is an area for continuous improvement and has a strategic objective of zero fatalities ▪ Raise safety awareness with safety champions ▪ Committed to minimising health and safety risks ▪ Administering learning modules for various activities	👥	▪ Mandated sub-contractors to meet its safety requirements and is developing technology options to monitor compliance ▪ Prepare and implement a safety improvement plan ▪ Taking leadership positions through a safety culture
ESG integration	▪ Development of a highly skilled women's workforce ▪ Conduct business according to the highest ethical and regulatory standards ▪ Ensure long-term business sustainability ▪ Improve quality of life through capacity building and counselling	👥 👪	▪ Focus on power procurement from renewable energy sources ▪ Strong focus on social empowerment and safety through various community programmes ▪ Ensure climate awareness, readiness and realignment
Efficient capital allocation and execution capabilities	Leveraging strong project execution, project management expertise and infrastructure	🗼 👪	▪ Complete existing projects on time, cost and quality with safe working ▪ Pursue new growth opportunities in a disciplined manner, focusing on returns and long-term sustainable value creation

Strategic focus areas	Key objectives	Capitals impacted	Outlook
Portfolio of efficient operating assets	Be among the best-run power T&D assets across the Indian power sector	● ●	▪ Maintain high availability through efficient O&M and operational excellence ▪ Strong growth potential through TBCB transmission projects ▪ Acquisition, new license, franchise and PPP opportunities in the T&D space
Robust financial profile	Maintain healthy margins and return ratios	●	▪ Continued improvement in performance of the Mumbai distribution business to enhance profitability ▪ Maintain a strong financial profile and pursue value-accretive growth in the Mumbai business as well as new transmission opportunities ▪ Sufficient cash balance and working capital lines tied up
Business excellence	Create a vision for the future and a sustained continuous improvement model	● ●	▪ Establish trigger mechanisms for emerging risks ▪ Benchmark in-process and outcome parameters to global standards; pursue meeting or beating them.

BUSINESS DRIVER

How ATL has built a sustainable financial platform

Overview

At Adani Transmission, we have strengthened the competitiveness of our business model with the objective to enhance long-term stability, visibility and sustainability.

Profitable growth: Our business model is marked by profitable growth, where our profit growth in percentage terms is higher than the revenue growth in percentage terms, validating our competitiveness.

Revenue engines: We have steadily increased our proportion of revenues derived from TBCB projects (22% in FY 21-22 from zero % in FY 15-16), generating a return higher than the one assured by the government.

Credit rating: We enjoy an international investment grade credit rating of BBB-/BBB-/Baa3 from S&P, FITCH and Moody's, which has made it possible to mobilise long-term debt at competitive rates across extended tenures, strengthening cash flows.

Annuity visibility: We enjoy a high revenue and profit visibility on account of the stability of contractual obligations, sovereign guarantee on our payments, high network uptime and low operating costs.

Challenges

Achieving financial book closure and addressing compliances during the COVID-19 pandemic

Despite a delay in the COD (Commercial Operations Date) of various projects, the Company worked closely with lenders to achieve financial closure of under-construction projects.

There was a challenge in managing the price uptick in under-construction projects due to a commodity price upswing, delayed execution, increased right of way compensation needed to paid across projects

Mitigation: In order to maintain availability of fund as per Project requirement, we have tied up bridge finance in case of delay in financial closure. To mitigate commodities price fluctuation, we entered into mix of fixed and floating price contract based on forecast and project requirement.

Key highlights, FY 21-22

The Company achieved financial closure of Lakadia Banaskantha Transco Ltd, WRSS (Western Region Strengthening Scheme), Kharghar Vikhroli Transmission Limited and ATL HVDC Limited projects through a construction facility successfully mobilised from eight foreign ECB lenders for revolving credit of US$ 1.1 Bn.

The Company mobilised a short-term loan of ₹500 Crore for vendor financing for the North Karanpura Transco Ltd. project to optimise costs and enhance cash flows.

The Alipurduar transmission line rating was upgraded to AAA (India Rating) following acquisition, validating our effectiveness and efficiency.

The Company proceeded with the proposal of restructuring the ATL Obligor group to ATSOL Obligor to enhance stakeholder value.

The Company matched long-term loans with project tenures to optimise returns.

The Company availed a special concessional tax regime for newly commissioned projects.

Our competitiveness

- On-time completion of book closure with audits
- Robust risk management and control framework
- Automation of processes and systems
- Upskilling and reskilling team members
- Prudent capital management
- Adequate cash availability

Outlook

The Company is poised for substantial capital expenditure over the decade, investing more than ₹5,000 Crore each year, warranting funds mobilisation and cost optimisation.

How we are emerging stronger

- Executing projects during the pandemic
- Achieving financial closure of proposed projects
- Refinancing with longer loan tenures, enhancing liquidity
- Managing credit risk and improving the credit profile for domestic credit rating

BUSINESS DRIVER

How we strengthened our Regulatory & Commercial platform

Our goal

30,000

ckm capacity & distribution meeting 4.5 MVA per customer by 2026

Our platforms

- Domain knowledge
- Team experience
- Specialisation
- Crossflow Group exposure

Overview

At Adani Transmission, the platforms created by the Projects & Construction / Operations & Maintenance teams are complemented by the Regulatory & Commercial function. This specialised intervention makes it possible to derive a grant of license, present tariff determination, adoption of tariff and engagement in dispute resolutions with the objective of getting remunerated on time and in full, from the appropriate regulatory commission.

This function is increasingly relevant to sustain cash flows and cover costs in a capex-intensive business so that returns remain commensurate with investments. This warrants an ongoing understanding of prevailing statutory realities, any change in which could have a profitability impact and hence would need to be factored into the cost structure and renegotiated. The need to remain relevant with the legal/regulatory framework of the country warrants the ability to present evolving ground realities to the relevant government/regulatory agency with speed and protect business viability.

Platform

At Adani Transmission, the management created a platform of competencies that can be scaled to respond to growing size of the Company, enhancing process and functional visibility. The platform holds relevance in a business marked by legal/regulatory nuances and complexities, diverse external influences on costs and network operational complexities, which need to be factored into computation before arriving at the right network remuneration. This warrants domain specialisation, informed understanding and representation capabilities, minimising perception differences between the client and vendor leading to cash flow predictability.

The Company's platform comprises the following features:

Domain knowledge: The Company comprises professionals with relevant domain knowledge in the field of regulatory and commercial functions, enhancing specialisation across the relevant regulatory universe.

Team experience: The team managing this function has been exposed to regulatory commissions; besides, the experience has extended to an understanding of inter-state and intra-state realities, AC and DC systems, pioneering exposure to HVDC (±500 kV transmission) in India's private sector and having handled three control periods marked by tariff revisions.

Specialisation: The Company has focused on functional segregation within the team (Central and State), enhancing specialisation

Crossflow: The team has emphasised a cross-flow of talent, enhancing a holistic understanding of the business, hedging probable people attrition.

Group exposure: The team enjoys access to the regulatory and commercial insights of the Adani Group.

Outcomes

The Company enjoys an attractive success rate of claims presented, one of the highest in the country's transmission sector. It possesses validated experience in the submission of financial information to regulatory commissions for optimised determination of tariff in terms of regulatory framework. It has demonstrated a credible track record of getting licenses and tariff adoptions on time. Majority of claims were approved by the Appellate Tribunal, generating timely cash flows.

Regulatory function

Get approvals from regulators

Commercial functions

Raise periodic invoices on customers

Recognise changes in laws; renegotiate remuneration

Recover arrears and late payment surcharge

BUSINESS DRIVER

How we are building a competent projects and construction platform

1,104
ckm commissioned/ charged by the Company in FY 21-22

4,516
ckm of projects under construction as on 31st March 2022

1,950
MVA in FY 21-22

19,236
MVA under construction as on 31st March 2022

Overview

Effective construction management represents a building block for successful power transmission companies through timely and effective project completion, reflected in a lower cost per circuit km of project completion on the one and timely revenue accretion on the other, strengthening revenue and margins visibility. The relevance of this capability has only increased in a tariff-based competitive bidding environment where cost or time extensions can affect long-term viability and competitiveness. This function now represents an effective long-term sustainability platform.

This consistent competence in new projects commissioning is the result of the Company investing in superior talent, global benchmarking, best practices and a safe working culture, resulting in project completion visibility that lays the foundation of subsequent profitability even before operations have commenced.

Key highlights, FY 21-22

During the second and third pandemic waves, supply chains were disrupted, affecting project management across a number of concurrent project sites.

The Company invested in health and safety guidelines to arrest the pandemic spread within our area of influence; periodic screening, awareness training and vaccinations were facilitated.

The Company resolved prolonged right of way issues during the construction of 765KV S/C Ghatampur–Hapur line; it commissioned 411 kms of the 765KV S/C transmission line.

The Company commissioned Loop In Loop Out (LiLo) in the circuits of 400KV D/C Ranchi -Maithon RB line using five ERS towers for the diversion of one circuit of Ranchi – Maithon RB line and the erection of two 400 KV D/C towers below the existing line.

The Company strategically deployed SAP for accelerating Down Payment Requests and issuing DDs for Right of Way.

The Company deferred the procurement of conductors when commodities turned inflationary (especially aluminium).

The Company commissioned 400/220/132kV Badun (GIS) substation, 85 kms of 400 kV DC Roza – Badaun line, 1 km of LILO of 220 kV C.B.Ganj (220kV) – Badaun (220kV) SC line at 400 kV Badaun substation, LILO of 220 kV Chandausi (220kV) – Badaun (220kV) SC line at 400 kV Badaun substation, 132kV Badaun Ujhani – Badaun (400 kV) SC line and 132 kV Bilsi – Badaun (400 kV) SC line, two 132 kV bays (one each at 132 kV substation Ujhani and Bilsi substations), 400 KV pooling station in Fatehgarh, 400/220 KV substation at Dhanbad, 2.7 kms of LILO of both circuits of the 400 D/C Ranchi-Maithon RB transmission line, 240 kms of the 765 KV D/C Bikaner (PG) – Khetri Transmission line and 765kV Bays at Bikaner (PG) & Khetri.

Responsibility

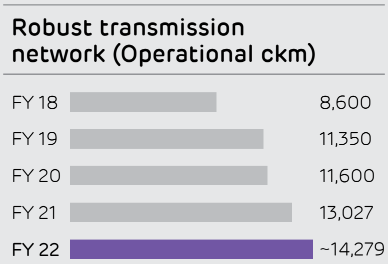
For transmission projects, environment clearance under EIA notification is not required. However, whenever transmission lines need to cut through forest or wildlife-rich areas, the Forest / Wildlife clearance from MOEF and CC becomes necessary.

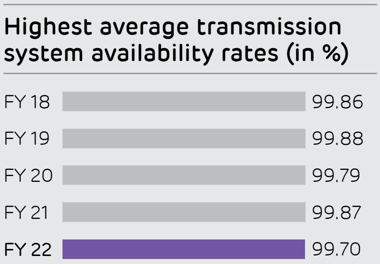
The measures taken by the Company to mitigate risks related to project delays comprised the following:

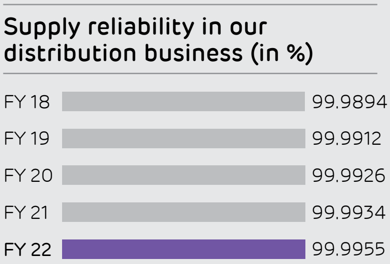
- Development of a dedicated team for forest / wildlife clearances at the head office and site levels.
- Proactive preparation of the proposal and processing of proposals.
- Creation of a strong database for FC approval procedures in different states.
- Engagement in policy advocacy with the state and central governments for digitised land records (Revenue/Forest).
- Additional deployment of resources in the case of forest/ wildlife clearance delays. In the event of delays, correspondence is entered into with the concerned authorities, regulatory commission and LTTC to mitigate punitive action. Force majeure notices are issued to the concerned authorities so that timeline extension is granted by the regulatory commission for work completion.

How we are emerging stronger

- Implementation of kaizen for sustained process improvement
- Implementation of ISO standards under Integrated Management Systems for projects
- Implementation of the automation system in SAP for easing the process of DPR creation for issuance of DDs for right of way


Robust transmission network (Operational ckm)


Highest average transmission system availability rates (in %)


Supply reliability in our distribution business (in %)

Our competitive strengths

Completion of projects within time and budget

Ability to concurrently manage diverse projects

High-quality project execution standards

High safety standards leading to project continuity

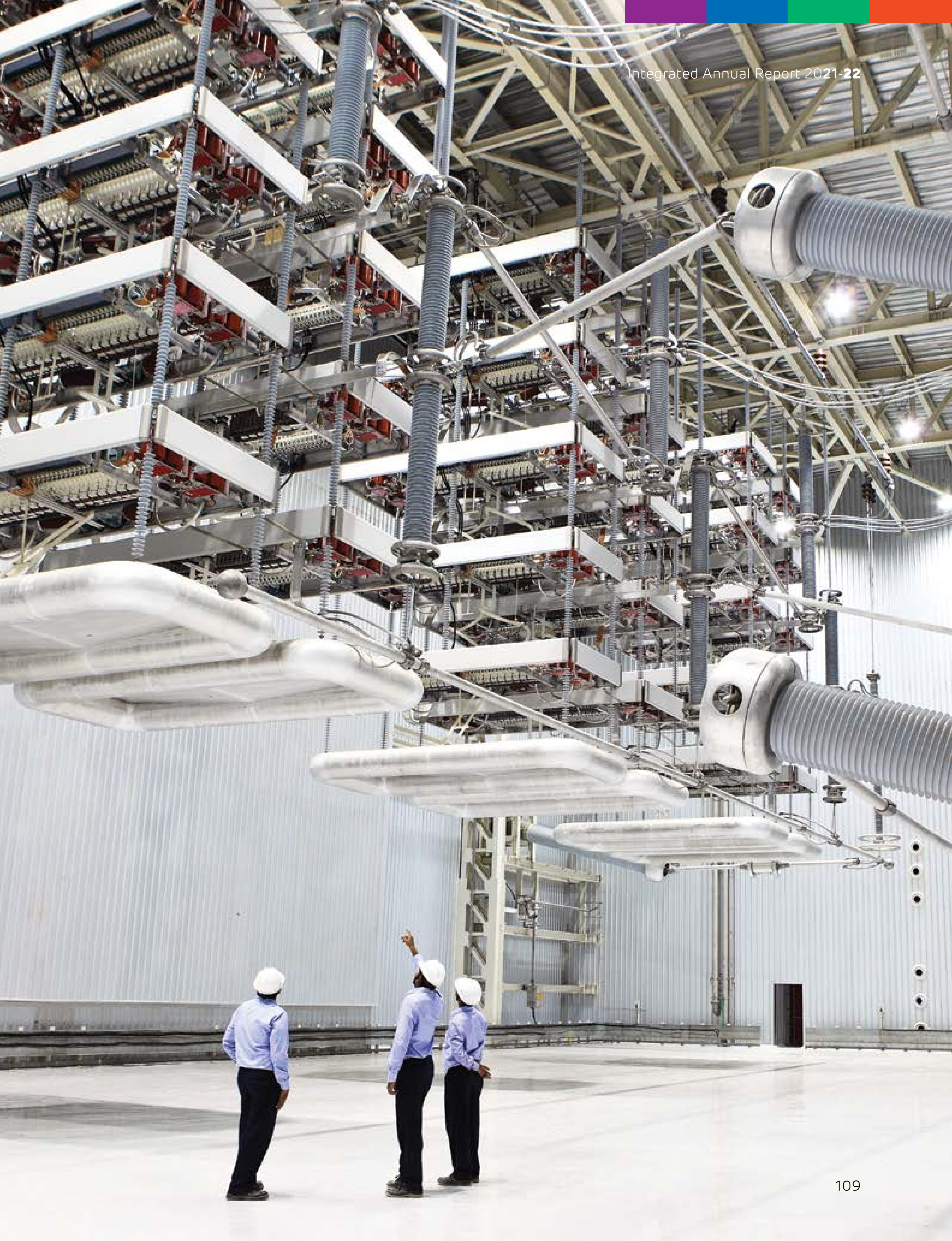
Use of ERP for disciplined project implementation

Robust processes enhancing business continuity

Capability building through training

Kaizen implementation for process improvement

Effective resource management



POWER DISTRIBUTION

How are we strengthening our Power Distribution business

Overview

The power distribution arm of our Company - Adani Electricity Mumbai Limited (AEML) - is India's largest private sector power distribution utility. AEML has been engaged in electricity distribution for over nine decades in one of India's most populous, densest and richest cities. AEML represents a robust platform for sustainable growth in this business.

AEML was formed following the acquisition of Reliance Infrastructure Limited's Generation, Transmission and Distribution utilities. AEML's distribution network now spans more than 400 sq km, addressing more than 12 Mn consumers (Bandra to Bhayandar on the western side, Sion to Mankhurd on the eastern side).

AEML caters to nearly 1,737 MW of electricity (FY 21-22) peak demand through an efficient power distribution network, marked by world-class technology-driven customer service.

We aspire to emerge among the largest power distribution businesses in India's private sector across the following platforms: service, experience, technology investments, operational excellence, capital management and renewable energy procurement.

During the year under review, the Company acquired MPSEZ Utilities Limited (MUL), a subsidiary of Adani Ports and Special Economic Zone Limited (APSEZ). By acquiring MUL's SEZ geography of operations, ATL is attractively positioned to step out of its restricted geographic footprint and take this business national.

Challenges and counter-initiatives

During the lockdown (restrictions and lockdowns), there was a possibility of a sharp decline in electricity demand that could affect viability.

AEML's counter measures comprised the promotion of electric vehicle charging stations to increase energy demand and balance peak load requirement. It also focused on servicing increasing demand coming out of data centers and value-added services.

Coal shortage led to increased power purchase costs.

AEML endeavored to sustain its competitiveness through cost control measures and optimised power purchase cost (~70% of the tariff). It enjoyed a flexibility in using domestic and imported coal blend for its ADTPS plant; the plant was sustained on domestically sourced coal when coal prices were high and availsbility short. AEML periodically altered its blending ratio to optimise costs. AEML also commenced purchases through firm bilateral contracts on the DEEP (Discovery of Efficient Electricity Price) portal. It undertook power banking transactions, buying power during peak months and 'returning' during the monsoons when realisations are lower.

During the partial grid disturbance on 27th February 2022 in Mumbai, around ~800 MW load was affected for two hours. Nearly 20% of the load emerged in AEML's operating area for a short period of time even as AEML was the largest network service provider addressing ~55% of Mumbai's energy consumption. AEML leveraged advanced technology and innovation, improving systemic reliability and delivering high resilience.

Principal differentiators

At AEML, we pride on being a service-driven utilities provider, strengthened by periodic investments in cutting-edge technologies.

Enhanced customer experience: AEML invested in cutting-edge technologies with the objective to enhance customer delight through best-in-class service. The Company created multiple touch points to engage with consumers that made it possible to provide service within a customer's arm length. For instance, AEML deployed chatbot/ WhatsApp BOT that empowered consumers to avail services from their residence. During the pandemic, the business leveraged its sophisticated technology platform without compromising consumer service. The launch of Virtual Customer Care Centres (CCCs) helped consumers engage with the Company; divisional tele calling and SMS broadcast activities were undertaken to attract consumers.

Digitisation of payment services: The Company suspended all physical bill collection centres on account of the pandemic-induced lockdown. To circumvent this challenge, payment kiosks were installed across all AEML divisions; mobile kiosk vans were launched. The result of this timely shift is that 100% payments were received digitally (including kiosks). The implementation of digital payments was done through partnerships with multiple payment service providers, promoted through digital campaigns.

Process improvement: The Company engaged in a holistic transformation of business processes using automation and data-driven decision making, leading to improved process efficiency and quality.

Manpower-based / Service level agreement-based contract to productivity linked performance-based contract (PLPBC): The inclusion of PLPBC (Productivity linked Performance Base Contract) in OS vendor contracts helped improve process efficiency and quality.

Shift in maintenance strategy: The Company shifted from scheduled to predictive maintenance, promising cost savings over routine-based maintenance.

Digitisation of processes: To ensure a sustainable adoption of digital interventions among employees, My Work & Asset Care Application was implemented. AEML switched to data-based decision making through the use of dashboards and Power BI.

Center of excellence: AEML carved out a center of excellence in fields like Metering, Billing and collection as well as technology adoption for employees and customers by providing services at their fingertips like BOT and mobile kiosks etc.

Our strengths

Credible operating track-record with a sustainability focus

Robust infrastructure; high reliability record

Long-term, recurring, stable and predictable revenue streams

Compliance with a stable and evolved regulatory framework

Large distribution consumer base marked by a respect for timely tariff payment

Continually growing energy consumption

Skilled management team; competent workforce

Digital investments

There is a growing recognition that digitalisation enhances flexibility, security and competitiveness. In view of this, digitisation is not merely preferred; it represents the lifeblood of business.

As a future-facing company, AEML invested in technology innovation to address demanding customer needs and a need for increased business effectiveness. Even as AEML continued to focus on delivering reliable power, it continued to do so with a focus on safety, consistency and customer delight.

This was achieved by a focus on four digital intervention pillars:

Customer affection: Digital enablers (web portal, mobile app, self-help kiosks, digital payment avenues and digital interfacing platforms like BOT/video chat, real time communication via SMS, email, WhatsApp and other value-added services) were revamped. The Company empowered consumers with service at their fingertips, transforming satisfaction into delight.

Reliable grid: The Company invested in grid sensors, smart/prepaid meters, auto grid operation, ADMS and reliability-centred maintenance (AI and ML-driven) to enhance service consistency. The Company intends to achieve a self-healing network based on agreed principles and algorithms.

Employee productivity: The automation of manual activities (auto work allocation, mobile app for field crew, automation – BOT, analytics & tools and online training) is expected to enhance employee productivity.

Digital core: The Company graduated from legacy servers, software in silos and limited modules to Cloud-based IT infrastructure, CRM, SAP-Hana, ARIBA, Cybersecurity and Analytics.

Cybersecurity: The Company segregated the IT-OT network, covering AEML's core network deployment across offices and Data Centre Network. The enhanced data security with encryption features through the deployment of a Bit locker-disk and RSA authentication deployment for cyber security will empower company to stay ahead of the curve. The Company completed a security surveillance project aiming to provide centralised access through Network Operation Control, comprising the use of 1200 CCTVs. It completed a ISO 27001 re-certification audit with zero non-compliance and Successful Go Live of Contact Centre DR @ the Hyderabad as per CIA guidelines.

Competition for smart locks in meter cabins

Adani Electricity Mumbai Limited is an electricity distribution company providing electricity to 12 Mn consumers in Mumbai. For each household, a meter is installed in meter cabins accessible to AEML for meter reading. Currently physical keys lock meter cabins with no alarm system to detect unauthorised access.

To emerge with a digital lock solution, AEML organised an inter college competition called HACKATHON for engineering colleges in Maharashtra. The competition was directed to inspire solutions for smart, electronic, tamper-proof, scalable and cost-effective solutions for conventional padlocks used for meter cabins and other installations. Some 36 teams from 11 colleges participated.

Pan-India smart meter implementation

Smart meters measure electricity consumption in real time, enhancing transparency in consumer engagement. Smart meters transmit data to a power supplier, show readings and provide energy cost on a user display. A smart meter becomes a major data source for power consumption, monitoring, control, load and energy storage management, integration of solar and other renewables into the grid as well as dynamic utility pricing.

The increased use of smart meters is expected to accelerate the transformation of a power utility offering into an FMCG-ised service.

The smart meter programme intends to replace 25 Crore conventional meters with smart equivalents across India. The meters, connected through a web-based monitoring system, will help moderate commercial losses of utilities, improving revenues and catalysing power sector reforms with an implementation target for March 2025.

AEML is working on Smart Meters to improve the quality, reliability and affordability of power supply through operational efficiency, reduce AT&C losses and reduce the ACS-ARR gap. AEML plans to deploy 7 Lakh smart meters across Mumbai by December 2023 and 25 Lakh smart meters by 2027. This could lead to the introduction of time-of-day-tariff, trigger consumption shifts in non-peak periods, strengthen systems availability and enhance infrastructure effectiveness

Advanced Metering Infrastructure (AMI) / Smart Metering Programme

New energy era

Adani Electricity Mumbai Limited (AEML), the distribution arm of ATL, has been at the forefront of technological development. AEML believes that utilities marked by energy efficiency programs will be successful in evolving marketplaces. Smart meters will pay for itself through enhanced consumer experience, energy savings and operational efficiencies.

Programme overview and our approach

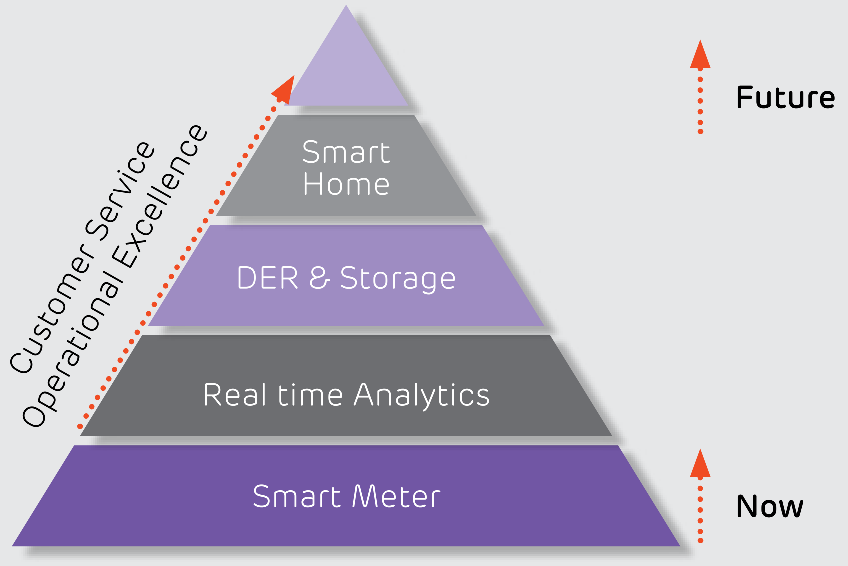
In Phase-1, AEML targeted East Division (Chembur and Powai) with a density of >7 Lakh consumers for the deployment of Automatic Metering Infrastructure / Smart Meters. The implementation will deliver the following benefits:

- Enhanced customer experience by offering real-time consumption analytics
- Enhanced consumer trust in Brand through transparency in metering and billing process
- Post-paid / Pre-paid conversion option to consumers
- Consumer consumption data to enable formulating and offering value added services (energy efficiency, Time of Day tariff etc) to consumers
- Improved reliability through early alerts of supply fluctuations
- Accurate forecasting of demand allowing effective power management
- Optimised asset utilisation through demand side management capabilities
- Operational efficiencies due to reduction in manual efforts
- Centralised single data repository for data analytics platform for better business decision making (unbilled revenue, preventive maintenance, outage analysis and prevention, etc)
- Early detection of meter tampering and theft due
- Remote Meter Connect disconnect availability in case of fraudulent and Non-payment.
- Aid in tacking technical T&D losses by quantifying losses at micro-clusters

3
Renewable procurement as a % of our delivered electricity mix, FY 20-21

8.6
Renewable procurement as a % of our delivered electricity mix, FY 21-22

~30
Renewable procurement as a % of our delivered electricity mix, FY 22-23 (estimated)



Smart Meter is the Foundation for Smart Grid

Outlook

ATL intends to replace ~ 30 lac conventional meters with smart meter equivalents in a phased manner.

Big number

40,00,000+

Smart meters deployed in India as on 31st March 2022

Overview

The Indian government approved the Revamped Distribution Sector Scheme (RDSS) to assist DISCOMs enhance efficiencies and sustainability. The scheme consisted of ₹3,03,758 Crore over five years from FY 21-22 to FY 25-26 with an estimated government budgetary support of ₹97,631 Crore for the upgradation of distribution infrastructure, prepaid smart metering, training and capacity building and other enabling and smart activities.

Key initiatives, FY 21-22

Following the acquisition of the Mumbai power distribution business (AEML), ATL expanded its distribution footprint by acquiring the power distribution business of MPSEZ Utilities limited (MUL), the power distribution licensee in the Mundra SEZ area.

By leveraging established AEML systems and expansion of the Mundra SEZ area, ATL will grow MUL manifold into adjoining municipal areas.

To enhance presence in the power distribution space, the Company is participating in various discom privatisation opportunities, including the privatisation of the electricity business in Union Territories announced by the government and exploring the acquisition of private sector holdings in power distribution businesses.

The Company is also engaged in appraising parallel second distribution licensee opportunities in geographies where services and costs represent attractive improvement headroom, utilising its existing competence in cost optimisation and service delivery.

Outlook, FY 22-23

Following COVID-19, India's economic growth is expected to rebound, widening opportunities in the power sector covering increased offtake, parallel licensing, privatisation of state-owned distribution companies and smart meter roll-out.

The Indian government is exploring delicensing the business of power distribution through draft amendments of the Electricity Act with the objective to enhance competition and consumer choice, creating attractive opportunities for the nimble. The Company intends to enter the electricity distribution business in prominent cities and districts, leveraging the experience drawn from its Mumbai distribution network and service. The Company intends to emerge as a leading national electricity distribution utility, providing reliable and competitive supply through innovative service platforms.

Besides, the Government of India and various state governments have undertaken multiple initiatives to promote the adoption of electric vehicles. AEML will promote the use of electric vehicles and charging infrastructure. AEML intends to facilitate the development of charging infrastructure through partnerships with bike operators (start-ups), cab aggregators and fleet operators.

Case study

How we implemented the optical downloading of power meter readings

In the past, the usual practice was of a representative from the power utilities company turning up once a month to measure electricity use by shining a torch onto the power meter. This legacy practice comprised a manual recording through a hand-held instrument or mobile app-based punching.

Gradually, this manual intervention was automated through optical ports in meters for various reasons – enhanced accuracy, power people deployment, enhanced trust and reduction in recording errors.

At AEML, we responded through this futuristic opportunity to transform an important of the business. AEML Meter Readers use to download the meter reading through MRI machine using cords. From September 2019, we started implementing a Meter Reading Mobile App and Optical cords to download readings. Within three years, optical readings now account for 95% of all meter readings (2.3 Mn meter readings per month), replacing manual intervention.

This transition has registered attractive spin-offs: actual meter reading has extended beyond 99.76%, strengthening revenues and margins; there has been a 55% reduction in billing complaints; there is a greater customer confidence that the tamper-proof approach is fair and transparent, strengthening the Company's brand.

Case study

How we responded with speed to protect consumer interests following Cyclone Tauktae

In 2021, Mumbai braced for a forecasted cyclone before the monsoon.

This was an unusual challenge not just for the unseasonal development; at that time, Mumbai was already grappling with the twin impacts of an ongoing pandemic and lockdown.

Instead of waiting for the cyclone's incidence and impact, the Network Management Team at AEML set out to work proactively before landfall. The team formulated quick response teams, engaged in a predictive maintenance of vital installations (COVID care centres and hospitals) and provided diesel generating sets to prominent COVID care locations. The team also stocked spares, deployed staff and made extensive logistic arrangements while commissioning a 24x7 disaster control room.

Cyclone Tauktae was as devastating as had been feared. It triggered wind speed of 114 Km per hour and 330mm of rain across Mumbai. Even as this was transpiring, AEML's Network Management team was engaged in active patrol, checking on pillar collapses and addressing complaints.

The proactive commitment paid off. AEML's workforce helped restore 88% power supply within two hours of consumer complaint; it provided uninterrupted power supply for 97% of its consumers.

The cyclone may have been devastating; AEML engaged successfully in mitigating its impact.

How we are emerging stronger

Operational excellence

- Engaged in focused capital expenditure
- Phased replacement of legacy assets
- Planned increase of Distribution Management System coverage to 100% by FY 27
- Upgradation of SCADA with ADMS

Process improvements

- Graduation from preventive to predictive maintenance
- Optimisation of maintenance frequency; use of technology for risk mitigation
- Outsourcing with Clarity of Deliverables and K-factor (PLPBC – Productivity Linked Performance Based Contracts)

Digitally empowered team

- Mobile phone-enabled workforce
- Digital empowerment of self-service analytics
- Development and deployment of AI models mapping consumer payment behaviour during the pandemic lockdown, prediction of HT cable faults, demand load forecasting and data-based decision-making
- Cyber security: IT-OT network segregation, RSA token and Bit locker deployment, AEML security surveillance project, live of Contact Centre DR as per CIA (Confidentiality, Integrity and Availability) guidelines, training for employees and families
- Strengthening of digital core by SAP instance consolidation & SOH migration, digital knowledge sharing/ trainings

Enhanced sustainability

- Increased electricity procurement from renewable energy sources
- Replacement of HPSV lamps with LED lamps in streetlights
- Progressive replacement of petrol/ diesel vehicles with an electric fleet
- Use of non-carcinogenic biodegradable silica gel in transformers
- Replaced oil-type switchgears with dry type, maintenance-free switchgears
- Deployed environment friendly natural ester filled transformers
- Supported consumers for the installation of roof-top solar panels
- Licensed and competent to handle hazardous wastes
- Implemented energy conservation measures (nano-molecular thermo conductive additive treatment for air-conditioning system)
- Implemented quality, environment, health & safety voluntarily; audited (as per Integrated Management Systems)
- Commissioned 28 EV charging stations
- Certified as single use plastic-free in its power generation business

Climate awareness

Environmentally compliant generation at ADTPS

100%	Fly ash utilisation
FGD	First FGD installed in India
Washed coal	100% mix of higher quality and cleaner washed coal

Transmission and Distribution

Ester	Using environment-friendly ester filled transformers
Switchgears	Oil-type switchgears being replaced with dry-type maintenance-free switchgears
LED	Installed LED lamps for streetlights reducing carbon footprint

MERC approved scheme

Programme	Savings in Mn units (MUs) FY 21-22
DSM 5 Star Ceiling FAN (BLDC) program	0.16
DSM 5 Star Refrigerator Program	0.706

Note: DELP 7 W bulb/ UJALA 9 W bulb/ 20 W FTL - Program closed by Energy Efficiency Service Limited (EESL)

How we enhanced consumer value

System availability

99.992
%, System availability,
FY 19-20

99.993
%, System availability,
FY 20-21

99.995
%, System availability,
FY 21-22

Impact: Increased systemic reliability

Tariff decline

9.18
Tariff (₹ per kwh)
before April 2020

7.47
Tariff (₹ per kwh)
after April 2020

7.44
Tariff (₹ per kwh)
after April 2021

7.43
Tariff (₹ per kwh)
after April 2022

Impact: Tariff decline in three years compared to FY 19-20

E-payment receipts

49
% of receipts
through e-payment,
FY 19-20

67
% of receipts
through e-payment,
FY 20-21

70
% of receipts
through e-payment,
FY 21-22

Impact: Improved cash flows

Cash collection efficiency

< 50
%, during April, 2020

>100
%, since August,
2020

>100
%, for FY 21-22

Impact: Enhanced liquidity

Complaints decline

7.43
%, decline in Commercial
complaints in FY 21-22
compared with
FY 20-21

*Impact: Higher respect
for service*

SAIDI (disruptions)

39.15
Minutes per consumer per year, FY 19-20

34.58
Minutes per consumer per year, FY 20-21

23.63
Minutes per consumer per year, FY 21-22

Impact: Total sustained interruption duration for the average customer during a predefined period of time.

SAIFI (disruptions)

1.25
Events per consumer per year, FY 19-20

1.11
Events per consumer per year, FY 20-21

0.82
Events per consumer per year, FY 21-22

Impact: Average number of sustained interruptions per consumer during the year.

CAIDI (interruption)

31.43
Customer average interruption duration index, FY 19-20

31.11
Customer average interruption duration index, FY 20-21

28.95
Customer average interruption duration index, FY 21-22

Impact: Average length of a sustained customer interruption during the measurement period.

Mumbai: Key distribution market characteristics

400
Area (sq. km)

3.13
Connected households (Mn)

1737
Maximum demand (MW)

9726
Sales in Mn units (including wheeling)

258
Consumption / consumer / month (units)

BUSINESS DRIVER

Our operations and maintenance excellence

Overview

Indian economic growth is catalysing electricity demand.

This is widening opportunities for the transmission sector, related to an increase in capacity in line with the increase in generated throughput. Besides, the capacity growth responds to the need to match renewable energy generation growth with larger transmission capacity and network maintenance. The result is that India's transmission sector is not merely transforming in scale but in scope as well.

Challenges and counter measures

Delivering a high network availability despite COVID-19 pandemic conditions.

The Company conducted mock quarantine drills, revised health and safety guidelines keeping the pandemic in mind, virtual meetings and motivation programmes. It ensured supplies were stocked in stations for emergency preparedness. The Company engaged with local authorities for approvals to patrol critical lines. The OEM team provided virtual support.

Key operational lines were diverted on account of projects like Maharashtra Samrudhhi Mahamarg, Northern Railway and Bharatmala Pariyojana, which are prestigious projects and associated with nation building. Resource planning, risk identification with mitigation, prudent inventory use, skilled man-power deployment and high safety execution standards helped the Company address requirements on time.

Line faults due to lightning reduces line availability and stresses the insulation level.

The Company collected data, analysed outages, developed patterns and implemented problem-solving approach to identify the root cause. A digital twin model of line was prepared to conduct the sensitivity analysis. An advanced electro-magnetic transient programme software conducted simulations. Study results were verified with the field patrolling and outcomes were implemented, improving the transient performance of the transmission lines.

Failure of silicon rubber insulators impacting line performance.

The Company replaced the faulty silicon rubber insulators in acquired assets with speed despite the pandemic situation and rigid RoW (Right of Way) issues. Further, advanced electric field simulation studies and condition monitoring techniques like thermography and PID were implemented to prioritise maintenance actions.

GIS equipment failure affected the availability of Obra-C Badaun Transmission Limited

The Company conducted a detailed root cause study and replaced GIS equipment, which affected the availability of Obra-C Badaun Transmission Limited; the line was energised and no further problem were faced thereafter.

The Company supported a local Gujarat utility during Cyclone Tauktae, helping restore the electrical system by undertaking corrective actions.

In 2021, Cyclone Tauktae ravaged the transmission grid in the Saurashtra region of Gujarat, leading to outage, grid disturbance, disruptions and losses. In the best traditions of service to the public, our maintenance specialists along with GETCO's team restored power with speed and established grid uptime.

Key highlights, FY 21-22

High uptime: The segment delivered high uptime despite the pandemic, conceptualising a cluster maintenance philosophy and centralised inventory.

Sustainable: ATL's ESG benchmarking score improved from 52 to 63 by S&P Global. The Company implemented green cover, banned single-use plastic in sub stations and moderated its carbon footprint. The Company got certified with Zero waste to Landfill (ZWL) for diversion rate exceeding 99% for its O&M of S/S, T/L and associated Infra. The Company conducted technical audits, completing rectification points related to earthing that enhanced equipment and person safety.

Contemporary assets: The Company engineered state-of-the-art Energy Network Operation Centre (ENOC) for the real-time remote monitoring of substations and will soon commission remote operations across 29 substations. The Company remotely monitored and operated 16 PPP sub stations from Deedwana SS and integrated critical renewable power evacuation station (Fatehgarh substation) in record time.

Nation building: The Company diverted operational lines to support infrastructure projects like Maharashtra Samrudhhi Mahamarg, Northern Railway and Bharatmala Pariyojana in the shortest time with highest the safety standards (zero LTI, zero serious injury and zero fatality).

Asset longevity: The Company finalised Bay agreements with other transmission service providers, forming a joint maintenance plan to enhance asset longevity.

Focused: The Company finalised a sensorisation road map for critical assets, implemented sensors and started analysing critical assets in real-time.

Pandemic-induced learnings: The use of IT for remote FAT, SAT, leveraging the virtual platform for online sharing, creating knowledge database, implementing automation for various business processes, going with contactless attendance system and strengthening business continuity aspects.

Technology investments

To enhance technology inclusion and proliferation, ATL made periodic technology investments.

Asset longevity: The Company commissioned a travelling wave fault locator on the 400 kV Sami-Mundra-Dehgam line to detect faulty areas with speed, enhancing patrol effectiveness. The Company installed a control switching device in EHV circuit breakers to reduce switching transients and enhance asset longevity.

Drone: The Company engaged in the drone thermal scanning of ~14,000 insulator strings on the 400 kV transmission line for the proactive detection of defects leading to enhanced asset continuity; the entire process was concluded in a third of the time taken for manual scanning.

Robotics: The Company initiated the deployment of robots for inspection of critical equipment, eliminating hazards of working in confined spaces at the 400 kV Sami sub-station, resulting in autonomous surveillance. The findings helped mitigate equipment failure and implement timely corrective.

Digitalisation: The Company enhanced asset longevity through a 765 kV digitalisation project at the Akola substation. The Company experimented with intelligent wearables that assisted workers remotely at the Sami sub-station.

Safety: The Company conducted an automatic pre-fire detection and prevention at the Ranpur substation, integrating the facility with a central control and command station. The Company detected personal protection equipment violations through AI-based analytics with more than 98% accuracy.

Future-ready: The Company implemented a Management of Change process to track change management implementation.

Outlook, FY 22-23

The Company intends to increase asset life and performance, with a higher focus on sustainability, green solutions, optimised costs and cutting-edge technologies resulting in higher availability, reliability and safety.

How are we emerging stronger

The Company automated its audit management process, field force mobility (for line and tower inspection), root cause analysis modification in SAP, Geographical Information System and asset condition-based maintenance data integration in SAP.

It implemented security automation systems and access control systems across various sites.

It utilised Power-BI data visualisation tool for the in-house development of various MIS (viz,. Trip Analysis Dashboard, Budget vs Actual Dashboard, Asset Health Dashboard and Spot Recognition Award Dashboard)

It reported Vulnerable Safety Risks to enhance site safety.

It participated in national and international forums like CIGRE, CBIP and submitted technical papers which were selected by the committee and later published in the CIGRE India Journal January 2022 issue. Technical papers were selected for CIGRE Paris Session 2022 and will be explained by ATL technical experts at international forums.

The business was certified for ISO 26000.

The Company commissioned an additional 1 MW solar project at HVDC Mahendragarh substation to reduce its carbon footprint.

The company incorporated Operational Technology (OT) as a part of ISO 27001 Information Security Management.

The Company identified Critical Information Infrastructure in collaboration with NCIIPC and CISO-MoP.

Our strengths

High safety standards

High system availability

Subject matter expert of national repute - ENDORSE

Robust processes to enhance business continuity

Proprietary capability building

Implementation of Adani Workplace Management System (AWMS) at O&M sites

Workforce and wage cost management through Kronos implementation at O&M sites

Implementation of kaizen

Formulation of SOPs within teams to ensure quality work and safety standards

Collaboration with academia to co-create solutions addressing challenges

Weekly collaborative calls to share lessons learnt and new innovative/ digital solution implemented

Integrated Management System: Minimising community and environment impact

ISO 9001:2015 for Quality Management System

ISO 14001:2015 for Environmental Management System

ISO 26000:2010 for Social Responsibility

ISO 27031:2011 for Information and Communication Technology (ICT) Readiness for business continuity

ISO 45001:2018 for Occupational Health and Safety

ISO 50001:2018 for Energy Management System

ISO 55001:2014 for Asset Management System

ISO 27001:2013 for Information Security Management System

ISO 22301:2019 for Business Continuity Management System

Our O&M model efficiency

99.70

% Availability, FY 21-22

CASE STUDY

Improving the transient performance of transmission lines

Objective

Our objective was to arrest transient trippings at the 132 kV single circuit transmission line, mostly during bad weather since a high number of trips caused high line outages.

Challenge

Initially, the Company encountered eight trips; it conducted a detailed analysis using disturbance recorder data to understand the fault and identify its precise location. It was difficult to pinpoint the fault as this was temporary in nature. Weather conditions further deteriorated; 13 additional trips led to availability issues.

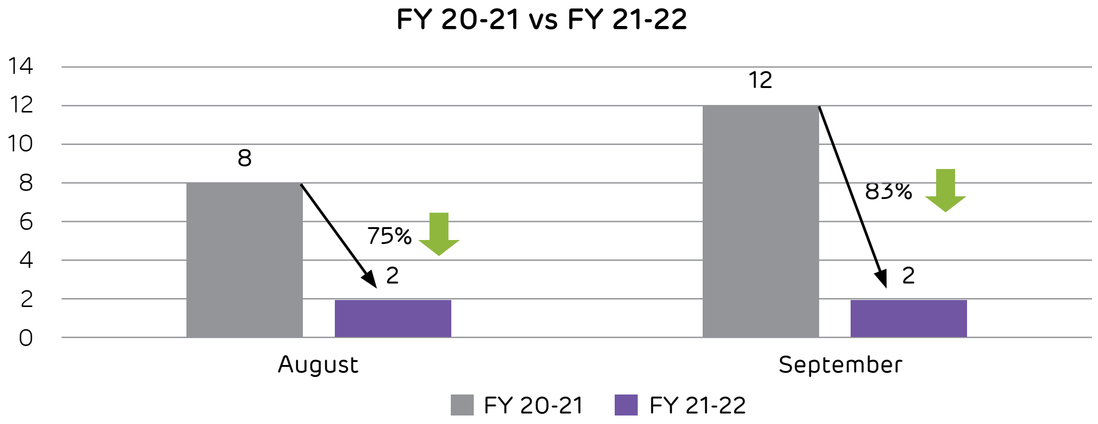
ATL's approach

The Company implemented the Ishikawa technique (Fish bone approach), scatter plots and design checks coupled with field data to identify the root cause and find implementable solution. Once the root cause was analysed, tripping was mitigated by implementing a phasewise solution on the entire linear asset by prioritising towers that encountered multiple trippings.

Outcomes

Transient performance improved by 75% and 83% in August and September 2021 over the corresponding months of the previous year. This led to lower stress on the power system coupled with higher availability.

Number of trips reduced Y-o-Y comparison



CASE STUDY

Fault identification and in-house rectification of 400 kV CB

Objective

The Company's objective was to identify defects/faults and develop an internal capability.

Overview

On 4th February 2022, during a routine maintenance of Reactor Circuit Breaker, the O&M team observed a misalignment and cracks in the main spring of the circuit breaker. This could have led to irreparable damage, major asset failure and safety issues.

ATL's approach

In-house initiative was taken for replacement along with remote supervision of OEM. High technical skill sets of O&M team, the product know how and regular monitoring of equipment test results helped in seamless replacement of critical component with minimal OEM remote intervention. The complete work was completed within time taking care of all safety aspects.

Outcomes

Probable asset failure was abated and asset health longevity was assured. The team reported attractive cost savings. There was an increase in system reliability and the internal O&M team capability helped in asset safety.

CASE STUDY

Installation of 400 kV series reactor at HVDC Mahendragarh

Overview

±500 kV Mundra - Mahendragarh HVDC terminal is a critical interconnection between the western region and the northern region of India for the transfer of 2500 MW power in the interstate transmission network. This addressed the power demand of Haryana and is an epicenter for the Special Protection Scheme of the entire Northern Region. The ±500 kV Mahendragarh terminal is connected to 400 kV Network at Power Grid Corporation of India Limited (PGCIL) Bhiwani Substation and Haryana Vidyut Power Nigam Limited (HVPNL) Dhanoda Substation.

Following the expansion of the transmission network and enhancement of critical interconnections, the fault level of the entire transmission system at Mahendragarh increased from 40 kA to 53 kA i.e. 130% higher than the 3-phase short circuit capacity of the circuit breaker, resulting in safety risks for critical national assets.

The issue was deliberated in the 39th meeting of the Standing Committee of Power System Planning of the Northern Region and in the third meeting of the Empower Committee of Transmission, wherein after the system studies, it was decided to install 12 ohm series reactors in the 400 kV Mahendragarh - Dhanoda Ckt 1 & Ckt 2 (at Mahendragarh end) to reduce the fault level of the system.

Key challenges and their mitigation

Space constraint: There were space constraints in the existing bay area of the 400 kV Mahendragarh-Dhanoda D/C line. To mitigate the issue, reactors were installed in combination with gas insulated switchgear (GIS) bays.

Outage constraint: Since the 400 kV Mahendragarh - Dhanoda D/C line had been a critical transmission network, simultaneous outage of both circuits at the same time was not allowed by the grid operator. It was planned to execute the erection and commissioning activities of series reactor by availing outages of one circuit at a time along with advance preparations of non-shutdown activities to reduce the overall outage time to bare minimum. SCADA modifications were deployed in parallel systems and verified thoroughly before going online, thus taking care of all the risks involved in this highly technical activity without impacting the running system.

ATL's approach

A reactor was connected in a series to transmission lines, limiting the short-circuit current to a level that can be handled by components installed in the electrical system, such as breakers and other switchgear. The fault current of the Mahendragarh substation reduced to 36 kA (below the design limit of switchgear i.e. 40 kA).

Outcomes

The reactors were commissioned successfully on 14th March 2022 (for circuit 2) and 28th March 2022 (for circuit 1). This was a first-of-its-kind installation wherein a single substation had a HVDC terminal, series reactor and GIS bays. The installation of the series reactor at the Mahendragarh substation ensures that the system fault current level does not increase beyond admissible limits, ensuring equipment and grid health in the case of severe faults.

ATL: A longstanding culture of technology excellence

Overview

At ATL, we are engaged in a business that warrants the highest technology investments and standards to be able to build national assets of the highest utility, strongest efficiency and enduring value.

This multi-year commitment is showing results: ATL's best-in-class technology has helped achieve performance efficiency that is considered at par with global leaders; the Company's approach has been marked by innovation and its process customisations have emerged as sectorial benchmarks.

The success of the Company's technology orientation is the result of an energy technology and digitalisation implementation approach that prioritises asset longevity, higher asset availability, cost efficiency, enhanced performance and data analysis.

The validation of ATL's technology has been manifested in incremental profitability, which has not only helped recover costs but has emerged as the Company's brand in terms of business responsibility and sustainability.

Principal challenges

- Receiving instant alerts for network infrastructure failure
- Arranging reliable and quick maintenance facility in case of systems breakdown
- Maintaining a leadership position within the industry
- Updating networks with the latest technology transformation
- Streamlining the organisation

ENDORSE

To empower different technical groups within the Company pool their talent and work as a cohesive unit, a group called ENDORSE – energy diagnostic and operation support entity - was formed. The primary function of this group is to provide technical and diagnostic services for operations cum maintenance, transmission, thermal and renewable projects.

ENDORSE empowers the Company with a technological nerve centre that jointly analyses and...

- Adopts a dynamic approach for RCA (Root Cause Analysis), CAPA (Corrective and Preventive Action) identification and implementation, improving asset health and system reliability
- Evaluates and authenticates modifications of system design, operational aspects and equipment functioning
- Homogenises testing, commissioning, maintenance and CBM practices
- Standardises specification and use of equipment, test kits and tools
- Promotes innovation and integration of new technologies
- Oversees review and adoption of application properly
- Mentors team capability building across sites and segments
- Initiating Community of Interest activities for various subjects

Community of Interest (COI)

The objective of Community of Interest (COI), launched by Adani Energy Business, is to create a unified knowledge sharing platform across different verticals, drawing on the rich experience provided by a diverse ecosystem of consultants, peer institutes and subject matter specialists. COI comprises 17 domain groups, each group comprising primary members, mentors and mobilisers to run COI activities. Every COI group holds discussions and meetings where different matters are raised and decided, relevant information being circulated via emails, WhatsApp and team meetings etc.

Energy network operating center (ENOC)

ENOC maintains a benchmark performance across energy segments, enhancing asset longevity by optimising controls and operational reliability of the ATL switchyard through the integration of systems and devices. This enhances the performance of power systems during diverse operational and disturbance situations.

Proposed solution

- State-of-the-art central SCADA system
- Automated fault analysis system with AI/ ML based fault signature analysis
- Historian and data lake for advanced analytics in cloud
- Security automation for unmanned substations

Potential opportunity

- Centralised data enables data-driven decision-making
- System events, alarms and trends as APM input for advance analysis
- Active monitoring, operation and oversight of unmanned assets
- Overall O&M cost optimisation and enhancement of safety and reliability
- The remote operation and monitoring of 29 ATL substations from ACH main ENOC and Mundra as a back-up ENOC.

Substation/TL sensorisation

Sensorisation projects improve the observability of assets (substation and transmission line assets such as power transformers & reactors) using online DGA, real time monitoring of transmission lines, towers and fittings using sensor set for detection of corona, corrosion, partial discharge, sag, tilt, vegetation and ambient conditions etc. The sensor data helps reduce system downtime, enhancing asset reliability through preventive and predictive asset maintenance.

Proposed solution

- Real-time monitoring of power transformers and reactors using online DGA
- Automation of the asset health model

Potential opportunity

- Residual life assessment helps enhance asset longevity
- Centralised maintenance will enable greater reliability

Asset performance management (APM)

The Asset Performance Management system facilitates data-driven decision-making, optimising asset reliability and maintenance costs. APM predicts asset health by aggregating data from enterprise AM, SCADA Historian, GIS, maintenance and test data of assets. With the help of advanced analytics, APM calculates failure probability and cost, deterioration rate and asset expiry date which in turn help in optimising maintenance strategies.

Proposed solution

- Asset health index
- Asset strategy using FMEA (Failure Mode and Effect Analysis)/RCA
- Rule-based condition-based maintenance
- Predictive maintenance forecasting
- Reliability analytics
- Network topology/relay & IEDs (Intelligent Electronic Devices) management
- Video/image analytics for TL (Transmission Line)
- Spares inventory management

Potential opportunity

- Moderating O&M costs
- Real-time status of the health index of critical asset enhancing reliability
- MTTR (Mean Time to Repair) and MTBF (Mean Time between Failures) improvement
- Real-time update of key assets performance and decision support for repair/replacement of assets improves operating performance
- Predictive maintenance strategy to reduce unplanned downtime
- RCA analysis to reduce unexpected failure

Renewable energy options for substation auxiliary power

Renewable energy options use the micro-grid concept with BESS (Battery Energy Storage System). Rooftop solar will be attached to existing structures in a spare land of sub-station and micro windmills

Proposed solution

- Rooftop solar on spare land of sub-station or in a nearby land could be acquired or taken on lease.
- Mounting of micro wind turbines on existing structures

Potential opportunity

- Zero auxiliary power consumption from the grid
- Reliability-centered maintenance
- Reduction in carbon footprint

Alarm analytics

With a growing number of substations being connected to the central system of ENOC, there is a possibility of large and frequent alarms. AI/ML based intelligent system shall be leveraged for further analysing this alarms.

Proposed solution

- Statistical analysis of data to identify frequent offenders by
    - Message type, Component type, Frequency of issue, Grouped issues, etc.
- Rationalisation and prioritisation of alarms
- Correction of maintenance strategies for repeat offenders

Potential opportunity

- Conduct proper RCA of failures
- Predict failures by correlating alarms with information
- Optimise alarms for a more alert operator

Field force mobility

Field force mobility solutions act as a tool for a mobile workforce, enhancing efficiency and compliance through mobile SAP Maintenance processes and tower inspections for the field force (maintenance order, material requisition, notification and PTW (Permit to work) processes)

Proposed solution

- Moast4 by Maventic
- SAP-integrated
- Google cloud platform-hosted

Potential opportunity

- Advanced mobile enablement and maintenance process enhancement i.e., maintenance order, material requisition, notification & PTW process
- Real-time updates through maintenance process reports, available for timely decision making
- Reduce manual / rework

Integrated Project Management Solution (IPMS)

IMPS monitors project health parameters across a portfolio of projects by issuing automated notifications in the case of variances. This is achieved by real-time collaboration between diverse teams across the project lifecycle. IPMS undertakes proactive corrective measures to prevent project delays, budget overruns, quality issues, risk identification and mitigation, ensure adherence to safety norms enhancing transparency.

Proposed solution

- Dassault 3D EXPERIENCE platform provides real-time status of business project, activity and ecosystem, connecting people, ideas and data

Potential opportunity

- Inventory loss reduction (difference between material procured vs material used)
- Reduction of manual activities brings down employee expenses and enhances employee productivity
- Reduction in schedule overrun, project cost variation and timely mitigation of project risks

Digital route survey for TBCB projects

The digital route survey generates the best root path options with digital data by analysing the satellite imagery of the route between the sets of coordinates in the tender with the help of machine learning optimisation algorithms.

Proposed solution

- Conducting route survey using satellite data and ML optimisation algorithm

Potential opportunity

- Gaining competitive advantage
- Better decision making
- Improved resource optimisation

BoQ automation for TBCB projects

ATL's engineering team designs and executes standard assets in transmission systems such as transmission lines, substations, utilities connected to transmission systems. Bill of Quantities (BoQ) automation automates the transmission line preliminary BoQ with the available data library of tendered / executed projects.

Proposed solution

- Development of standard Library of tower family using IFC/PDF files.
- Autodesk platform for generating project BOQ using standard library.

Potential opportunity

- Automatic computation of BoQ for new routes
- Reduction in cycle time for BoQ preparation

Robotics and drones

Robotics and drones are valuable for timely maintenance, critical to enhance reliability, availability and life enhancement. The deployment of unmanned aerial vehicles has improved routine patrol activity for transmission lines. Drones have helped give access to remote asset elements, capturing video, picture and thermal images without risking crew safety. The captured data is uploaded in an image analytics module to evaluate the asset condition and predict failure probability.

ATL is deliberating the use of robots for carrying out round-the-clock routine operation and maintenance activities in substations. This will enhance employee safety.

Proposed solution

- Robotic inspection for internal inspection of reactors and transformers
- Use of robotic crawlers for transmission line maintenance
- Use autonomous robots in substations with high-definition and thermography camera providing real time analytics
- Use of drones for thermography, advanced imaging, remote TL asset patrolling, detecting asset violation
- Portable remote operating camera for HV maintenance work

Potential opportunity

- Safe operations and time efficiency
- Remote sections accessibility of TL and enhance observability of critical sections and elements of power substation.
- Reduced downtime and improved safety

Safety technology interventions

Hazardous and restricted zone monitoring	**Current status** Ad-hoc and conventional CCTV based arrangement at sites	**Desired state** ▪ Automated and enhanced safety monitoring system for proactive identification and correction of non-compliances using AI-MIL technology for projects sites and hazardous operations ▪ Smart wearables for personnel safety (PPEs)
Logistics and fleet safety management	**Current status** Vehicle Tracking system for Transmission Business is being explored for application in line with POCs of other Group BUs (Business Units)	**Desired state** ▪ Enhancing vehicle safety and improved driving behavior though standard IVMS (In-Vehicle Monitoring System) based solutions ▪ Dedicated Driver Management Centre for planning and managing trips on cargo/PNG distribution (ports/gas stations etc)
Man-machine segregation	**Current status** Inherent equipment based mechanical systems and few sensor based used cases at some sites of Energy BU, like smart wearables are being explored	**Desired state** ▪ Saving lives through failproof sensor and IoT-based instrumentation controls by preventing an employee's exposure to hazardous machinery operations (stacker reclaimer, tipper truck etc.), unsafe conditions, human tracking and remote supervision.
Safety training and competency	**Current status** MS PowerPoint based classroom/Animation videos and KRONOS	**Desired state** ▪ Enhancing training effectiveness by AR/VR/MR (Augmented Realty, Virtual Realty, Mixed Realty) based safety experience learning modules and development technology enabled safety experience centre at strategic locations with multiple Bus presence (Mundra/Mumbai)

Automated safety monitoring

Systems and processes

Sensorisation

Fleet safety

Safe driving behaviour

Technology initiatives for capacity building with research orientation

The primary objectives of ATL technology vertical is to introduce technological solutions that enhance plant life and performance, moderate costs, and build competence in new technologies. ATL's operations are centred on a collaborative innovative research, technology development and integrated ecosystem. To that effect, we have introduced initiatives such as digital technology & operations technology roadmap (ATL DTR ATL Digital Technology Roadmap) to enhance process efficiency by developing and integrating emerging technologies.

Key initiatives

- Formulated and distributed standard maintenance practices for major electrical equipment.
- Held technical discussions with external stakeholders to decide

corrective steps for failure analysis of electrical assets

- Formulated asset health analysis guidelines and dashboarding for ATL assets
- Created real-time maintenance support for system or equipment breakdown

Measures

- Reviewed test and commissioning documents of equipment and systems during project and O&M stage.
- Frequent visits to sites, factories and institute to reinforce RCA, inspection, restoration and O/H (Over Hauling) activities.
- Launched and subscribed to various technological POCs (Proof of Concept) like robot-based inspection, advanced fault finding in transmission lines, online monitoring of transformer, CB's (Circuit Breakers), drone inspection of substation and lines.
- Instituted procurement and installation of advanced sensors like travelling fault locator in lines, online dissolved gas analysis (DGA) equipment for transformers and reactors, online drying units for transformers and reactors, thermography, PD (Partial Discharge) and corona detection for insulators.
- Inspected earthing systems of all ATL stations
- Appraised specifications of test kits, insulators, transformer, motor etc.
- Assisted the quality team to make decisions on critical observations for new project assets and framing standard quality plans.

Achievements

A thorough root cause analysis helped correct decisions and were instrumental in curbing potential accidents. The learning and exploration enabled knowledge enhancement, capacity building of people, enhanced system performance and reliability.

Competitive strengths

Research and Development

- Collaborative for resources
- Capture in-house innovation
- Long-term impact – business
- Align with 'Space – Time – Capital' metrics

Outcome: *Technology and knowledge creation*

Performance consulting

- New technology learning and adaptions capabilities
- Engage and align with project and OEM needs
- To lead to a learning organisation

Outcome: *People and process centric – Technology absorption capabilities*

Knowledge and technology management

- To scan and track the business environment
- Network with OEMs (Original Equipment Manufacturer's), Domain Expert, Technological Research Institute.
- Technology gap analysis
- Strategic collaborations

Outcome: *Technology, OEM and Gaps analysis*

Industry-academic interface

- The interface-backward integration
- Engage for PG/ PhD programs
- Reverse mentoring

Outcome: *Capacity advancement and Neutralise knowledge obsolescence*

IT INSIGHT

ATL: Deepened its IT competence to reinforce business sustainability

How we reinforced our IT capabilities to build a stronger business

Overview

There is a technology tsunami sweeping across the world, putting a premium on the need for businesses to restructure, adapt and enhance their competitiveness.

This trend is more pronounced now than ever following the pandemic, when advanced technologies have become a corporate priority to enhance operational workflows, customer service and customer penetration.

At ATL, this commitment to cutting-edge technologies is pronounced. The Company is technology-driven, recognising that the complement of superior technology and increased leverage can drive business outperformance.

At the Company, the role of digital technology is not limited to business automation; it has extended prudently to data aggregation, classification, stimulation and manipulation with the objective to generate complex information outcomes and stay ahead of the curve.

In view of this, ATL is not as much a power transmission and distribution company investing in technology to support its growing business as much as it is a technology company engaged in power transmission and distribution.

ATL and information technology

ATL made prudent and progressive investments in digital technologies to moderate costs, acquire timely updated information, facilitate quicker decision-making, accelerate workflows, reinforce information security and offer employees secure remote working opportunities.

At the Company, information technology represents the cornerstone of the Company's transformation and forward-looking strategy. The Company continued to invest in its IT architecture to enhance process efficiency and address customer / consumer requirements. The result is that the Company has enhanced its respect as a customer / consumer-driven company that enhances their interest, service and convenience.

The Company responded with a range of IT-enabled initiatives to enhance its competitiveness.

One, the Company studied industry best practices across advanced technologies like robotic process automation, artificial intelligence and Google cloud platform.

Two, the Company adapted these cutting-edge technologies around its business needs, enhancing outcomes.

Three, the Company remained committed to seeking new ways of doing business through the adapted use of technology with the objective to sustain sectorial leadership.

Focus areas

The Company strengthened the integrity of its IT infrastructure through interventions addressing end-user support, consistently high internet connectivity, systemic compliances and cost management.

The Company continued to invest in its growth through enhanced spending on people and sites.

The Company invested in a data center on Google cloud platform.

The Company engaged in integrated project management solutions and field force mobility.

Key highlights, FY 21-22

Investments

The Company invested ₹12 Crore in technologies.

Programmes

The Company initiated O&M and project programmes - established the Multiprotocol Label Switching and Adani network at all site locations; also invested in Integrated Project Management Solution to manage transmission line projects.

Process oriented

The Company established Field Force Mobility, a solution addressing the needs of field workers to manage inspection, work order and other SAP processes. ATL also invested in Google cloud platform for robust infrastructure and standardising solutions / tools across constituent units.

Robotics

The Company invested in robotic process automation and mobile applications to automate routine interventions.

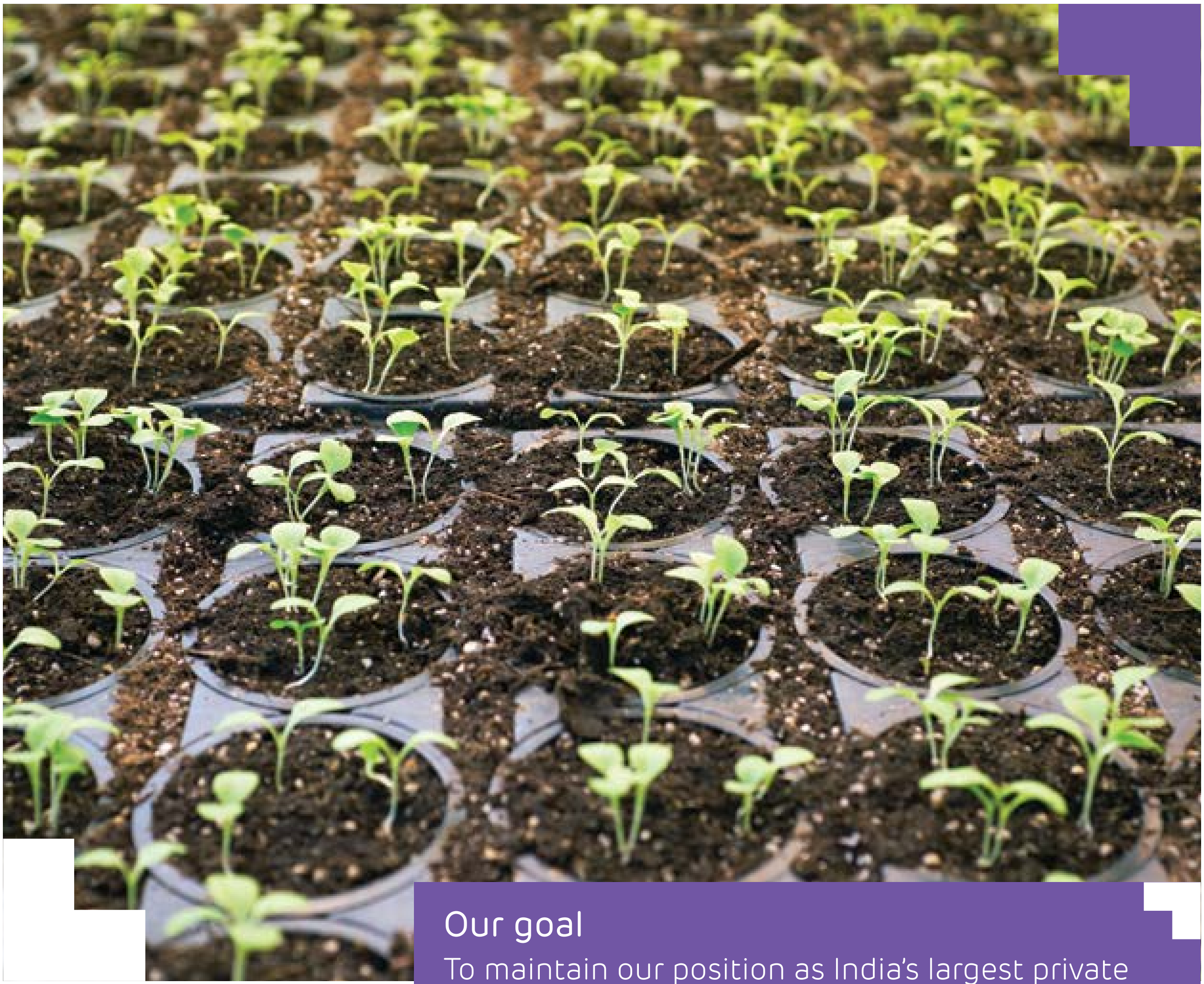
Outlook, FY 22-23

The Company intends to undertake key Energy Nerve and Operations Center initiatives to monitor transmission sub-station operations and asset performance management solutions.

Going ahead, the Company intends to invest in Engineering Drawing Management System and Energy Knowledge Management Repository initiatives, strengthening its responsiveness to internal and external customers.

ENVIRONMENT-SOCIAL-GOVERNANCE

How ATL has built a credible ESG platform



Our goal

To maintain our position as India's largest private sector power transmission and distribution company.

Our platforms	Environment compliance	Lower carbon footprint	Safe work practices	Credible safety certifications	Controlled growth
	Robust Board	Benchmark focus	Process driven	Audit and compliance driven	Ethical framework

Our ESG commitment

Overview

At ATL, it is not enough to do the right thing but to do it in the right way as well. This is underlining our position as a responsible corporate citizen.

This positioning is relevant; there is a premium to enhance a comprehensive ESG compliance and commitment. It is therefore not important to be merely profitable but to be sustainably so; it is important to not just service limited stakeholders but service all.

At ATL, our objective is to enhance stakeholder trust, which makes it possible why customers select to patronise our services, why employees work with us, why vendors sell to us, why investors provide risk capital, why bankers lend and why communities support us.

Environmental

- Moderate carbon footprint
- Protect bio-diversity
- Use 5R's (replace, re-use, renewable, recycle, reduce)
- Superior environmental rating
- Ongoing audit and investment in environment compliance
- Disclose environment performance

Social

- Large workforce
- Focus on knowledge, experience
- and retention
- Investment in training
- Culture of passion
- Servicing marquee customers
- ₹23.14 Crore expenses of CSR

Governance

Code and values

- Code of Conduct
- Whistle blower policy
- Anti-bribery and anti-slavery policy
- Remuneration policy
- Corporate-Environment-Health-And-Safety Policy
- ESG commitment
- Employee care and fairness
- Prevention of Sexual Harassment (POSH)
- Code of Practices for Fair Disclosure
- Code of Internal Procedures and Conduct for Insider Trading

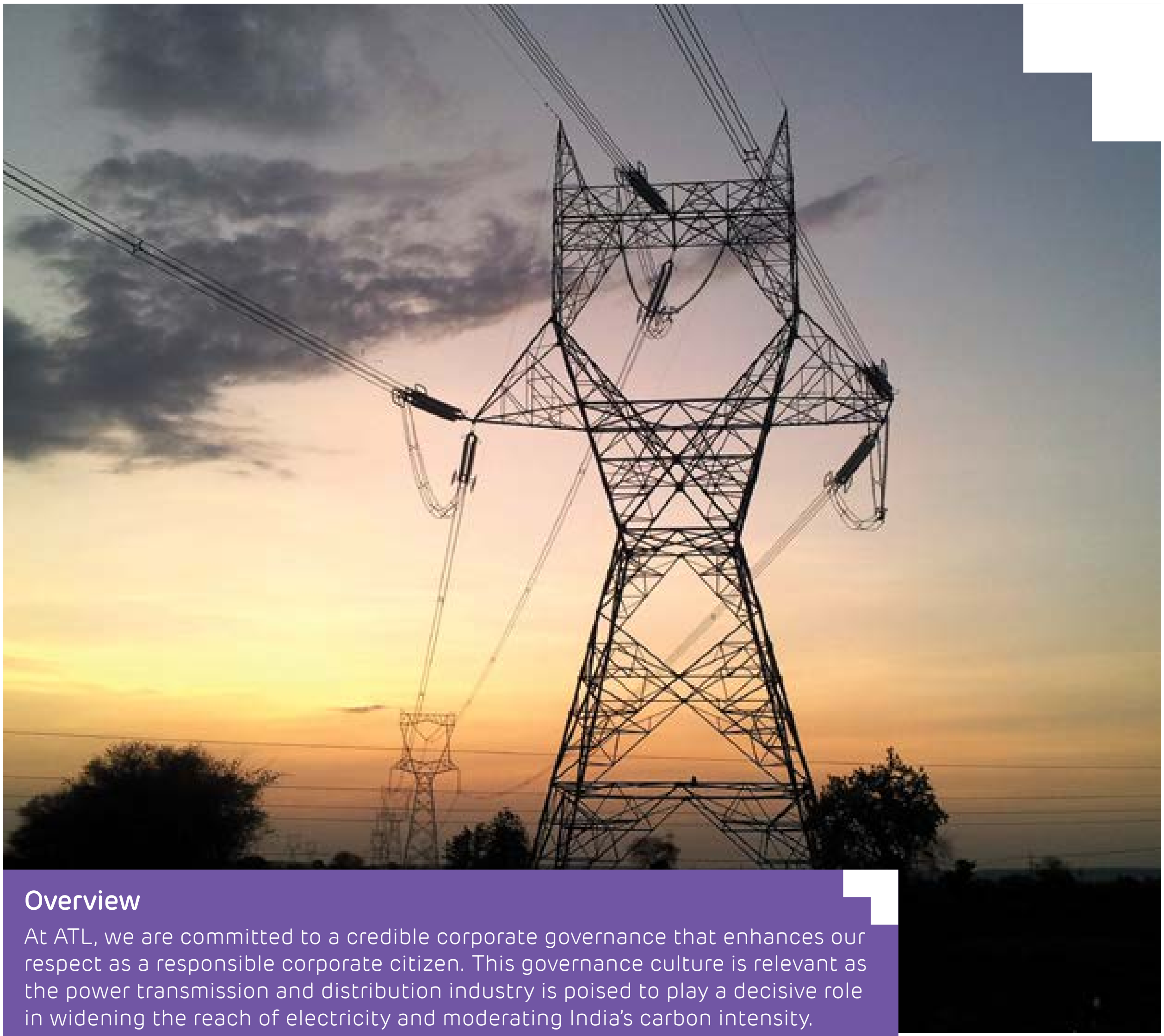
Structure and oversight

- Board with strong independence
- Business Responsibility Policy
- Fully Independent Audit Committee
- Risk Management Policy Transparency and reporting
- Material event policy
- Related party transactions
- Quarterly self- declarations on the web

OUR ESG COMMITMENT

How we have built a credible governance platform

At ATL, we created a robust governance framework that enhances stakeholder value



Overview

At ATL, we are committed to a credible corporate governance that enhances our respect as a responsible corporate citizen. This governance culture is relevant as the power transmission and distribution industry is poised to play a decisive role in widening the reach of electricity and moderating India's carbon intensity.

Our governance commitment is helping make this a reality. Corporate governance comprises rules, protocols and processes by which the Company is managed. The spirit of governance balances the interests of all stakeholders (shareholders, management, customers, suppliers, financiers, government and community). This makes governance integral to our existence.

External environment and ATL's governance

ATL operates in an environment, marked by economic impacts, demographic trends and technological advancements with an increased focus on alliances, trade, consolidation and integration. This environment presents opportunities with a premium on speed, innovation and risk management. ATL's strategy is directed to enhance value across the medium to long-term. ATL outlined transparent disclosures and effective Board governance. The Company improved its governance framework, policies and disclosures; it monitored and evaluated outcomes, strengthening relevance.

Governance principles

At the heart of ATL's governance commitment is a strong one-tier Board system with Board of Directors who possess a disciplined orientation.

Ethics and integrity: The Board is committed to the highest standards of integrity. Directors commit to abide by the 'Code of Conduct', regulations and policies under oath, demonstrating intent and actions consistent with the Company's values.

Responsible conduct: The Board acknowledges the Company's role in contributing to the growth and development of neighbourhoods, terrains, communities and societies in which it operates. The Company is accountable for its environment and societal impact corresponded by compliance with laws and regulations. The Company is also committed to extend beyond minimum requirements and emerge as a sectorial benchmark.

Accountability and transparency

The Board provides comprehensive financial and non-financial reporting and feedback. The Company is aligned to the best disclosure practices; it follows internal and/or external assurance and governance procedures.

Board evaluation and compensation

The Board adopted a formal mechanism to evaluate performance and of Committees and individual Directors, including the Chairman of the Board. A structured evaluation process covered the Board's comprehensive functioning, composition, committees, experience and competencies, performance of specific duties and obligations, contribution at meetings and otherwise, independent judgment and governance issues. The breadth of the Board's fiduciary responsibility attached the Board evaluation mechanism to overall performance.

ATL's Board was elected transparently during the Annual General Meeting through a shareholder voting. The average tenure of the Board members was five years; elected members needed to possess the right experience and skills, sufficient independence and acting in best stakeholder interests. Board members were evaluated across specific duties and obligations, contribution at these meetings and otherwise, independent judgment, governance issues, and contribution to the Board oversight.

The Board compensation was guided by a Remuneration Policy of Directors and was in accordance with the provisions of applicable laws. Independent Directors were allowed fixed sitting fees and reimbursement of the actual travel expenses. (https://www.adanitransmission.com/investors/corporate-governance)

The Board was periodically educated on emerging sectorial risks and trends. On a half-yearly basis, the Board members were presented a comprehensive assessment of ESG risks and opportunities with the potential to impact ATL's business and mitigation strategies. This presentation also covered risks related to climate change and strategies.

The Board's role

The Board sets the direction; it reviews, assesses and approves initiatives. Besides this, it assesses issues, competing forces and business risks that define the Company's short-term performance and long-term viability. In its supervisory capacity, the Board monitors corporate performance and executive team behaviour. The holistic supervision includes strategy development, design and implementation. The Board periodically discusses the Company's ESG commitment from financial and other perspectives.

The Board encourages the senior management to embark on initiatives beyond compliance in regulatory requirements and other matters.

Board committees

The Board committees ensure sound governance. The Company's Board comprise the following committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Mergers & Acquisitions Committee
- Legal, Regulatory & Tax Committee
- Reputation Risk Committee
- Corporate Responsibility Committee
- Public Consumers Committee
- Info Tech & Data Security Committee
- Securities Transfer Committee

Board independence

The Board comprises around 57% Independent Directors, who bring independent judgment to the table.

Board diversity

ATL's Board diversity harnessed differences and uniqueness in knowledge, skills, regional and industry experience, cultural and geographical backgrounds, ages, ethnicity, races and genders. About 29% of the Board comprised women as Non-executive and Independent Directors.

Ethics and integrity

The Company has formulated a 'Code of Conduct', setting out guidelines to be followed by employees and associates.

The Board was periodically updated on emerging risks and trends in the energy sector. The Board members were biannually presented a comprehensive assessment of ESG risks and opportunities that could impact ATL's business coupled with corresponding mitigation strategies. This ESG presentation also covered risks related to climate change and counter strategies. ATL established pre-defined relative financial metrics relevant for the CEO's variable compensation including compensation influenced by the Company's operational and financial performance.

The compensation of leadership roles at Altera linked to long-term sustainability and performance. The long-term sustainability goals (continuous increase in ESG ratings) had a significant weightage.

Long-term sustainability goals comprised Operational Efficiency, Environmental Policy & Management Systems and Environmental Reporting. ATL established pre-defined financial metrics relevant for the leadership role's variable compensation - Return on EBIDTA, Profit after tax and Operating Return on Capital Employed.

ATL's governance was woven around critical areas like risk &crises management, codes of business conduct, customer relationship management, information security, policy management and supply chain management.

Board oversight

The various Board committees have been set up to carry out defined roles performed as articulated in their respective terms of engagement. The Board supervises committees and was responsible for their actions.

The Board also oversees safety performance in meetings, demonstrating a safety-first culture.

Skills and experience

The ATL Board aggregates knowledge, perspective, professionalism, thought diversity and experience. The Board members possesses a rich understanding of governance, technical, financial and non-financial issues. The Board members possesses a rich experience of the power sector, strategy, financial, counterparty negotiation, risks, legal, environment and social issues (refer to Remuneration policy and ID terms and conditions of appointment at https://www.adanitransmission.com/investors/corporate-governance).

Board member credentials

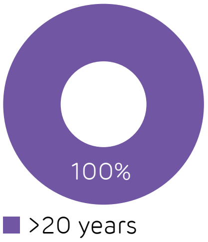
- Embrace a shared vision, mission and values with the organisation
- Possess knowledge of industry/sector, policies, major risks/threats and potential opportunities in which the Company operates
- Possess technical skills/experience in accounting/finance, Government or public policy, economy, human resource management, strategy development and implementation of capital planning
- Governance competencies such as being a Director in large organisation, compliance focus, leadership, risk management experience and business judgment

Oversight priorities	Capitals impacted	Key decisions
Finance and control The Board committee oversees the financial reporting process of the Company, quality and integrity of accounting, and auditing and financial reporting process, including internal controls.	📊	Refer page 249
Securities The Board oversees the transfer/transmission of the Company's securities, issue of duplicate shares/debenture certificates, split-up/sub-division, and consolidation of shares, issue of new certificates on re-materialisation, sub-division and other related formalities.	📊	Refer page 257
Selection and remuneration The Board was aware that to deliver value to stakeholders, experienced and professional members needed to be nominated and evaluated based on their performance. The Board ensures remuneration practices were designed to deliver remuneration that was competitive, fair, incentivised performance and aligned with conduct expectations of the Company.	👥	Refer page 252
Stakeholder relationship The Board and management proactively engage with key stakeholders and address their concerns in the best way possible. Collaboration, transparency and regular communication are important to the Company's approach.	👥 🤝	Refer page 253
ESG performance and assurance The Board oversees the implementation of the CSR Policy and Sustainability Policy, including the reporting of ESG performance, assurance of data and management system execution.	🌿 👥 🤝	Refer page 255
Risk and control The Board oversees the implementation of the ERM Framework, including the approval of key risk framework, and received reports on ESG risk triggers, limits and management actions.	📊 👥 🗼	Refer page 256

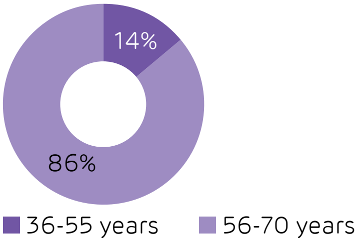
Legend

📊	🗼	👥	🧠	🤝	🌿
Financial Capital	Manufactured Capital	Human Capital	Intellectual Capital	Social and relationship Capital	Natural Capital

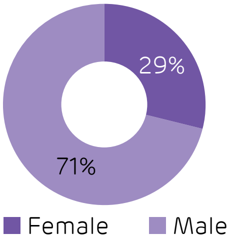
Board experience



Board age profile



Diversity



BOARD OF DIRECTORS

Stewards of the Company's strategic direction

ATL's diverse Board of Directors strengthened the governance fabric

Mr. Gautam S. Adani

Chairman:

Mr. Gautam Adani is the Chairman and founder of the Adani Group. Under his leadership, the Group has emerged as a global integrated infrastructure player with interests across Resources, Logistics and Energy verticals. His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones with speed and scale, but has also resulted in the creation of a robust business model that is contributing towards building sound infrastructure in India.

Mr. Rajesh S. Adani

Member: R S

Mr. Rajesh Adani has been associated with the Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalised approach to the business and competitive spirit has helped shape the growth of the Group and its various businesses.

Mr. Anil Sardana

Member: S C R

Mr. Anil Sardana has more than 40 years of experience in the power and infrastructure sector. He began his career with NTPC and subsequently worked with BSES and Tata Group of Companies in the power and infra sector, ranging from generation, power systems design, power distribution and telecom and project management. Prior to joining the Adani Group, he was the MD &CEO of Tata Power Group, which is based out of Mumbai. Mr. Sardana is an honours graduate in Electrical Engineering from Delhi University (1980), a Cost Accountant (ICWAI) and also holds a PGDM from All India Management Association. He has undergone top management training from reputed institute like IIMA and 'Specialised Residual Life Assessment course for Assets' at EPRI – USA.

Mr. K. Jairaj

Chairman: A N S C R

Mr. K. Jairaj is from the 1976 batch of Indian Administrative Service, Karnataka Cadre. He graduated in Economics from the prestigious Central College Bangalore University and obtained Distinction in M.A. (Economics) from the Delhi School of Economics. He did his Master's in Public Administration and Public Affairs from Princeton University and Harvard University, respectively. He has held prestigious and key appointments during his distinguished career with the Indian Administrative Service. Mr. Jairaj was Principal Secretary to the Chief Minister of Karnataka and served as Energy Secretary, Government of

Karnataka and piloted key reforms in this sector. He was the founder MD of Bangalore International Airport Limited (BIAL), which set up the Greenfield Bangalore International Airport. Mr. Jairaj has served as President, All India Management Association and Delhi and on the Boards of IIM, Bangalore and Kashipur. Other notable assignments include BESCOM; Managing Director, Bangalore International Airport Ltd; Managing Director, Karnataka Power Corporation Ltd; Managing Director, Karnataka State Road Transport Corporation; Commissioner, Bangalore City Corporation for two terms; Commissioner for Commercial Taxes; and Principal Secretary to the Chief Minister. He has been conferred with a number of awards and citations during his distinguished service. He is associated with several educational and not-for-profit institutions.

Dr. Ravindra H. Dholakia

Member: C S R A N

Dr. Ravindra H. Dholakia, a retired Professor of IIM, Ahmadabad, has more than 38 years of experience in regional economic development, economic analysis and policy, international economics and health economics. He holds a post-doctoral research fellowship from the University of Toronto and a PhD in Economics from M S University, Baroda. Earlier, he served as a consultant to state and central governments, private sector institutions and international organisations such as WHO, UNICEF, ADB and World Bank. He has also been a member of various committees appointed by the government and has more than 140 research papers and 22 books to his credit.

Mrs. Meera Shankar

Member: C A N

Mrs. Meera Shankar joined the Indian Foreign Service in 1973 and had an illustrious career spanning 38 years. She served in the Prime Minister's Office for six years, from 1985 to 1991 working on foreign policy and security matters. Thereafter, she led the Commercial Wing in the Indian Embassy in Washington as Minister (Commerce) till 1995. She returned as Director General of the Indian Council of Cultural Relations overseeing India's cultural diplomacy. She has had extensive experience in South Asia having worked in Bangladesh, Sri Lanka and Maldives as Under Secretary and Deputy Secretary in the Ministry of External Affairs. Later, as Joint Secretary, she headed divisions dealing with neighbours, Nepal and Bhutan, and the South Asian Association of Regional Cooperation (SAARC). As Additional Secretary, she handled the UN and international security issues. She served as the Ambassador of India to Germany from 2005 to 2009 and then to USA from 2009 to 2011.

Mrs. Lisa Caroline MacCallum

Mrs. Lisa Caroline MacCallum began her professional life in Accounting, Finance and Consulting with KPMG in Australia and USA. She enjoyed a long career at NIKE Inc. (2001-2014) in the USA, serving on the executive leadership team in commercial and brand strategy roles and as Vice President of NIKE's Corporate Philanthropy and Global Community Investments. Prior to joining NIKE, Lisa co-founded a Tokyo-based multi-media and executive education company called Business Breakthrough, Inc. She currently serves as an ESG Advisory Board member of KAO Corporation Japan and is an independent non-executive Director of Bond University Australia Limited and Seattle based employee experience company Limeade Limited.

Board Committees (Statutory)

C Corporate Social Responsibility Committee
S Stakeholders' Relationship Committee
R Risk Management Committee
A Audit Committee
N Nomination and Remuneration Committee

ESG commitment

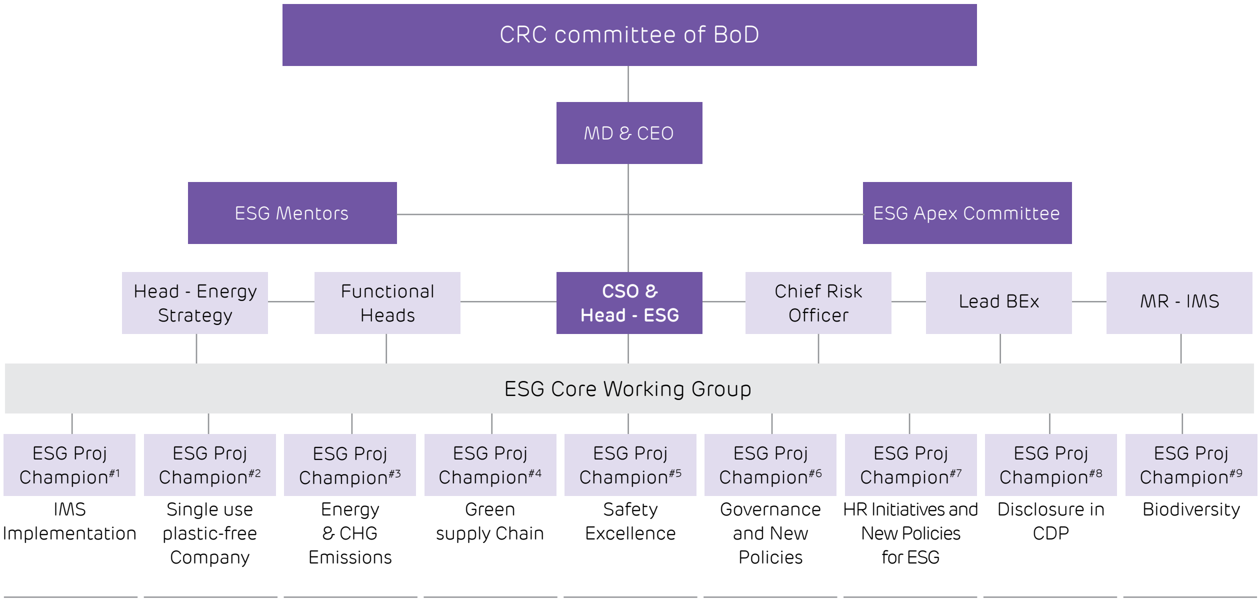
ATL's governance structure follows international best practices by integrating Environmental, Social and Governance considerations into decisions. This ensures that ESG performance monitoring and decision-making permeate the organisation. The ATL Board has constituted a Corporate Responsibility Committee Committee as well as a Risk Management Committee.

The Corporate Responsibility Committee (CRC) oversees the implementation, monitoring and reporting of climate-related issues, ESG performance and sustainability, the CSR committee oversee the CSR policy and implementation. The ESG and Risk Management functions are incorporated within the organisation by establishing an Enterprise Risk Management (ERM) System, guided by a Chief Risk Officer. This system was implemented to enable employees and business associates to raise any identified risk to the next level. The risk management framework comprises a provision to evaluate, prioritise and escalate risks to the highest governing body. The CRC Committee identifies and incorporates ESG-related operational and financial risks through the resolution of the Board. The organisational policies, purpose, values, mission statement, strategies, goals and targets related to sustainable development within the Company are developed by the senior management committees. These are based on identified risks and opportunities related to the power sector, external environment, legal, management system requirements and stakeholder consultation, among others. These policies are regularly reviewed and approved by the Board.

The Board examines and approves the Company's strategic, industrial and financial plans, including the annual budget. Its business plan has incorporated principal guidelines to promote a sustainable business model and establish the basis for long-term value creation. The CRC of the Board periodically monitors the sustainability and climate performance of the Company. The Company intends to make its governance structure world-class. The ESG Report is reviewed by the Apex Sustainability Committee – a group of functional heads and station heads – before it is submitted for assurance by an external agency. The CRC appraises the sustainability performance before being released in public domain and on the Company's website. The core ESG working group and disclosures related to ESG are overseen by the MD & CEO.

A core ESG Working Group is formed at all locations, supervised by the ESG Head under the guidance of the Chief Sustainability Officer (CSO).The Integrated Management Systems, covering Quality, Environment, Health and Safety, is implemented at all operating locations and their performance is regularly reviewed by the CSO.

The ESG and Risk Management functions are incorporated by establishing an Enterprise Risk Management (ERM) System, guided by the Chief Risk Officer. This system is implemented to enable all employees and business associates raise identified risks to the next level. The risk management framework comprises the provision to evaluate, prioritise and escalate risks to the highest governing body within. A snapshot of the organisational structure depicts how it governs, manages and reports sustainability-related issues.



Roles and responsibilities of the CRC Committee

ESG Apex Committee

- Provides organisational vision and overall direction for ESG program
- Reviews and approves public disclosures on ESG (annual report, sustainability report, special disclosure)
- Allocates resources required by ESG Core Working Group

ESG Mentors

- Provides specific guidance and operational insights for ESG Core Working Group and ESG project champions
- Provides a quarterly review of activities led by ESG project Champions

Chief Sustainability Officer and Head ESG

- Coordinates ESG Apex Committee meeting on an annual basis (or as and when required)
- Coordinates ESG Core Working Group meeting on a quarterly basis
- Develops ESG disclosures and sustainability reporting with inputs from functional heads, Chief Risk Officer, MR-IMS (Management Representative-Intergrated Management System)
- Facilitates ESG Project Champions for independent validation, audit and assurance of ESG initiatives for public disclosures

ESG Core Working Group

- Identifies material issues and risks with management approach for disclosure in the public domain
- Provides all data inputs, information for ESG requirements and reports for public domain
- Engagements with stakeholders including external rating agencies and auditors relevant to ESG
- Formulates long-term and short-term plan in line with achieving the ESG vision as directed by Apex Committee

ESG Champions

- Leads the assigned ESG project with a 4-5 member cross functional team
- Coordinated monthly team meetings for progress on respective ESG projects
- Reports progress on a monthly basis to Head ESG and on quality basis to ESG members

Our ESG strategy framework

Vision

To be a world-class leader in businesses that live, create sustainable value and contribute to nation building

ATL ESG goal

ESG is the way of doing our business: to be among top companies in the global benchmarking of the electric utility sector by FY 22-23

ESG strategic pillars

Governance measures	Technical and other measures

Commitment towards global climate action	Corporate citizenship and enabling social transformation	Responsible business practices
Climate Change mitigation and adaptation	Human capital development and caring for human rights in the business	Business ethics and values
Water Stewardship	Safety and well-being	Customer orientation and value creation for stakeholders
Zero waste to landfills	Inclusive growth including communities	Enterprise risk management
Biodiversity conservation and natural resources optimisation	Innovation and technology	Responsible business partnerships (engagement with suppliers and customers on ESG issues)

Key performance indicators

Code of Conduct

ATL adopted a Code of Conduct for its Directors and Senior Management, which laid down the principles and standards that should govern the actions of the Company and its employees.

The Code of Conduct expected all members to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct.

The Company Secretary of ATL oversees compliance with the Code of Conduct as well as reviewed the effectiveness of the Code. Suspected and reported violations of the code were investigated and action was taken by the Chairman of the Board or the Chairman of the Audit Committee ensuring the Board's supervision on Code of Conduct with ethical issues.

To review compliance with the Code of Conduct, members of the Board and senior management affirmed the compliance with the code annually, based on which an annual compliance report was prepared and evaluated by the Company Secretary to review the effectiveness of ATL's Code of Conduct.

The Company adopted a Whistle Blower Policy and established the necessary vigil mechanism for employees and Directors to report concerns on unethical behaviour in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. The policy enabled the employees to report potentially illegal or unacceptable practices without the fear of victimisation and reprisal. It aimed to guide good governance practices and ensured that concerns were properly raised and addressed. The Vigilance and Ethics Officer was responsible for monitoring the effectiveness of the policy and dealing with concerns raised and reports filed.

Employees could lodge a Protected Disclosure to the Chairman's Office by sending an email to whistleblower@adani.com. To address the concerns of external stakeholders and public, email IDs of senior management were made available in public domain.

Preventing corruption and bribery

ATL was committed to conduct its business responsibly by ensuring ethical practices, transparency and accountability across its value chain. As the organisation engaged with a wide range of business partners, it was its duty to ensure that people and third parties, who acted on its behalf, demonstrated high ethical standards and compliance with all applicable laws.

ATL's Anti-Corruption and Anti-Bribery Policy stated the Company's zero tolerance towards corruption and the payment or receipt of bribes for any purpose. It outlined how the organisation defined bribery and corruption and its position on political/charitable contributions, facilitation payments, gifts and hospitality.

To strengthen the system, the Anti-Corruption and Anti-Bribery clauses were incorporated as a part of the Employee Code of Conduct, Supplier Code of Conduct and Code of Conduct for Board of Directors and Senior Management. The Code of Conduct for the Board and Senior Management prohibited Directors, members of the senior management and immediate families from accepting any payments or gifts from persons or firms the Company deals with.

The Code and Conduct for employees comprised an explicit statement on prohibition of bribery and corruption. The Anti-Corruption and Bribery clauses were clearly communicated to all employees of ATL through their appointment letter, Code of Conduct and by displaying the policy on the Company's employee portal. Further, to ensure compliance, all employees were trained on the Anti-Corruption and Anti-Bribery policy as well as the Code of Conduct at the time of their induction and annually thereafter. ATL's annual online mandatory training on the zero tolerance policy ensured that employees were able to recognise, avoid and raise concerns and report any potential instances of bribery or corruption. The managers at all levels were responsible for training employees in the Anti-Corruption and Bribery Policy.

To ensure that business partners practiced the same ethical standards as ATL, the Anti-Corruption and Anti-Bribery

Policy was communicated to contractors, suppliers and other third parties through ATL's supplier Code of Conduct and vendor agreements. According to the Supplier Code of Conduct, all ATL's suppliers were expected to refrain from offering or accepting any undue payment or other considerations directly or indirectly. This consideration was also a key element of ATL's Supplier Risk Assessment, which checked their policies on Bribery, Corruption and Whistle Blowing prior to business agreement.

To ensure a comprehensive compliance with Anti-Corruption and Bribery Policy and regulations, ATL made zero political contributions in the reporting period. As per the policy of the Company, all political contributions needed to go through the approval of the Board and as per the applicable regulation, the Company disclosed the information as per Companies Act 2013 if any political contribution was made.

ATL did not make any contributions to and spending for political campaigns, political organisations, lobbyists or lobbying organisations, trade associations and other tax-exempt groups during the reporting period with the objective to influence public policy.

Vigil Mechanism/Whistle Blower Policy

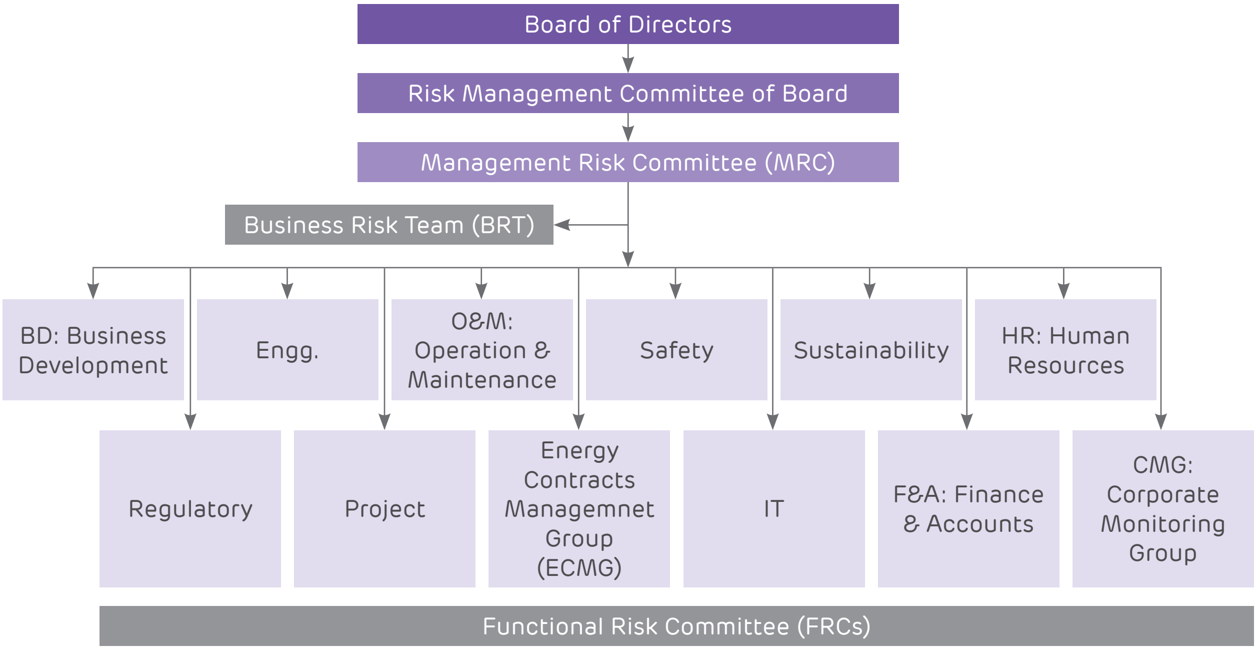
ATL had a Whistle Blower Policy and Vigil Mechanism in place in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. The policy and mechanism enabled employees to report potentially illegal and/or unacceptable practices without a fear of victimisation and reprisal. It aimed to guide good governance practices and ensured that concerns were properly raised and addressed.

Any concerns related to Anti-Corruption and Bribery policy or suspicions of malpractice were to be reported as per the Vigil Mechanism/Whistle Blower Policy. Accordingly, the concerns and suspicions of violation could be reported to managers at all levels and the Vigilance and Ethics Officer. The Vigilance and Ethics officer was responsible for monitoring the effectiveness of the policy and dealing with concerns raised and reports filed. Managers at all levels were responsible for ensuring that those reporting to them were made aware of and understand this policy, undertook training on how to implement and adhere to it and monitored compliance. To make the mechanism effective, employees could lodge a Protected Disclosure to the Chairman's Office by sending an email to whistleblower@adani.com. As specified in the Anti-Corruption and Bribery Policy, as a part of ATL's organisational-level risk identification and management process, all businesses periodically undertook bribery and corruption risk assessments to understand the risks it faces and ensured that it had adequate procedures to address those risks. The risk assessment was documented, periodically reviewed and the Board updated on a half yearly basis in accordance with applicable regulations.

In FY 21-22, no violation of the Vigil Mechanism / Whistle Blower Policy was reported.

Our robust risk management system

Efficient risk management is the key to achieving short-term goals and sustained value creation over the long term.



Overview

ATL has established a comprehensive risk management system to facilitate its objectives, ensuring that risks that can have an impact on them are identified, analysed, assessed, managed and controlled. Risk Management is a process driven by ATL's Board assisted by the Audit Committee and Risk Management Committee, which reviewes and monitors risk management processes in accordance with governance requirements.

Governance of risk management

At ATL, the responsibility of risk management is assigned to committees, departments and professionals at multiple levels. The comprehensive nature of the Risk Management System guarantees the effective involvement of all organisational units ensures that different governing bodies responsible for risk control are kept abreast of the status of the risks at all times.

Board-Level Risk Management Committee: Audit Committee and Risk Management Committee of the Board supervise the identification and management of the significant risks and are responsible for the review and monitoring of the effectiveness of the risk management processes of the Company. The Board-level Committee provides guidance to the Management Risk Committee(MRC).

The Management Risk Committee:(MRC) assesses, manages and reports all significant risks, impacts on ATL's business and mitigation measures identified and planned by the Board-level Committee. MRC assesses the effectiveness of the risk identification process and provides guidance on priority risks and their mitigation to the Business Risk Team (BRT) and Functional Risk Committees (FRCs).

Site/Functional Risk Committees: The Functional Risk Committees are represented by cross-functional members assigned with the responsibility of monitoring the management of identified risks across business units.

Business Risk Team: The Business Risk Team of ATL is assigned the responsibility of overall supervision and coordination of risk management at different business units. Risks identified by Functional and Site risk committees are evaluated and high potential risks are reported with mitigation plans to the Business Risk teams. The Chief Risk Officer, is the highest-ranking person with dedicated risk management responsibilities at an operational level and reports directly to the CEO.

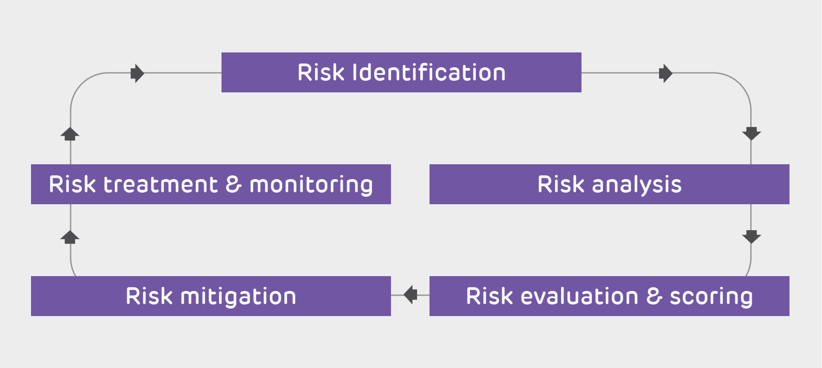
Our approach to risk management

The (MRC) assesses, manages and reports on all significant risks, the impact on the business and mitigation measures. MRC also assesses the effectiveness of the risk identification process, determining the alignment of risk management to the Company's risk appetite. Responsibility for monitoring the management of these risks is assigned to the Functional Risk Committees (FRCs) for respective business units, with overall supervision and coordination provided by a Business Risk Team (BRT).

The risks are then considered at a Group level through the monitoring process of the Audit Committee and Risk Management Committee(s).

Our risk management process

Our risk management process aims to support the delivery of the Group's strategy by managing the risk of failing to achieve business objectives. By focusing our risk management system on the early identification of key risks, it enables us to conduct a detailed consideration of the existing level of mitigation and the management actions required to either reduce or eliminate the risk.



Risk management framework

ATL has established a Risk Management framework based on the COSO (Committee of Sponsoring Organisations of the Treadway Commission) framework and aligning towards ISO 31000 to manage risks identified with the aim to support strategy and achieve business objectives.

ATL has defined a substantive impact, considering financial aspects, operational aspects, stakeholder impact and statutory compliances or regulatory requirements. For instance, a critical impact is one where an operational issue can result in a significant loss due to closure / stoppage of operations beyond one day, improper utilisation of resources of a material value (>1% of profit or revenue), reputation loss due to community issues, damage to critical machinery, fatal accidents or a financial impact of more than ₹50 Crore or loss of reputation/irreparable damage/ partnership issues or serious consequence for non-compliance and penalty more than ₹10 Lakh etc.

ATL's risk management framework focuses on the early identification of key risks and conducts a detailed consideration of the existing levels of mitigation and the management actions required to either reduce or eliminate the risk. The risks identified are prioritised and evaluated to understand the probability and magnitude of the impact on business for which an appropriate management plan is devised.

To ensure effective risk management, ATL conducts risk assessments in the form of Sensitivity Analysis and Stress

Testing to proactively capture potential risks that can generate a significant impact on the business and assess the health of the organisation in terms of financial risks, market risks etc. In this context, ATL performs Sensitivity Analysis and Stress Testing to identify, analyse and manage the following enterprise risks:

- Financial Risks including Credit Risk and Liquidity Risk
- Market Risks including Interest Rate Risk and Foreign Currency Risk
- For the determination of defined employee benefit obligations

The step-by-step Enterprise Risk Management process is as follows:

- Risk identification is done by Functional Heads, Business Heads and senior leaders based on their business experience, environment scanning and performance results. Employees participate through suggestion boxes and expert opinion on business risks is sought. Internal audit reports, identifying control weaknesses and strategic challenges, are used.
- Identified enterprise risks are evaluated on the criteria of impact, probability and velocity with a mechanism to value risks on standard parameters that should facilitate the ranking of enterprise risks for devoting focus and resources towards critical risks.
- Based on risks identified and evaluated, a decision is taken for risk treatment. A decision on 'Accept, Treat, Transfer and Terminate' is taken for every enterprise risk. Having decided to treat the risk, a mitigation plan is finalised based on a cost-benefit analysis. Selected mitigation measures are tracked for its implementation and achieving the desired outcome in terms of time and benefit. While developing a risk mitigation plan, a risk indicator is identified to track movements in enterprise risk.
- Each risk owner and functional head monitors movements in enterprise risk and mitigation plans. Monthly reports are made and appropriate steps taken for correction and improvement.
- The monitoring and reporting of enterprise risks and status of mitigation plan helps in understanding trends in risks, importance for mitigation measures, etc. Reviews by a functional committee followed by the senior leadership committee helps identify focus areas and mitigation plans to drive positive trends in enterprise-level risks.

Sl. No.	Key strategic risks	Mitigation strategy	Capital linkage
1	Global commodity price fluctuations leading to bid pricing (either affecting margins or the bid win rate, or both)	▪ Commodity hedging ▪ Long-term contracting for price lock-in ▪ Protection against abnormal price changes through legal contractual clauses ▪ Use of predictive models for scenario planning ▪ Representation to regulators for CIL through appropriate forums ▪ Maintain steady stream of projects inflow	▪ Financial Capital ▪ Manufactured Capital
2	War with neighbouring countries or a war-like situation, terrorist attacks leading to business continuity or disaster - Assets in Rajasthan, Gujarat could be targeted	▪ Staying abreast of the latest developments ▪ Evacuation plan for the staff ▪ Plan for maximum salvage ▪ Insurance policies in the event of war	▪ Financial Capital ▪ Human Capital ▪ Manufactured Capital ▪ Social and Relationship Capital

Sl. No.	Key strategic risks	Mitigation strategy	Capital linkage
3	Reputational risk: A negative social media campaign against the Adani Group, impacting funding/operations of Group companies including ATL.	▪ Media campaigns to counter negative media sentiment ▪ Proactive actions to create society goodwill through Adani Foundation or other social foundations ▪ Develop a corporate communications policy / social media policy; identify official spokespersons to ensure adherence	▪ Financial Capital ▪ Social and Relationship Capital
4	Cyber-attack in the power sector, resulting in equipment failure like turbines, inverters, batteries, SCADA, PLCs, Relays etc.	▪ To conduct VAPT to identify gaps and develop action plan for closure ▪ Tracking action plan implementation of VAPT assessment ▪ Develop IT Security Policy and ensure deployment for cyber security management ▪ Develop knowledge repository for cyber attacks ▪ Identify and provide training to IT professionals within the organisation ▪ Communication to users on cyber security attacks and preparedness	▪ Intellectual Capital ▪ Financial Capital
5	Geopolitical and collaborative world order impaired by political acts (leading to a loss of access to foreign players and associated technologies, etc.)	▪ Diversifying the vendor and lender base ▪ Capability building of domestic vendors and technology providers ▪ Policy advocacy to ensure project specifications do not require 'difficult to access' parts/products ▪ Proactively exploring the possibility of the adoption of indigenous products/services and technology	▪ Manufactured Capital ▪ Intellectual Capital ▪ Social and Relationship Capital
6	Climate Risk: Adverse climatic condition posing threat to assets & their useful life (e.g. weather, drought, extended rainy season, more floods, bush fires, cyclones etc.) or extreme natural/societal event posing threat to asset health and/or routine operations (e.g. pandemics, tsunamis, etc.)	▪ Develop and implement Business Continuity and Disaster Management Plan addressing community activism ▪ Develop minimum design adequacies to handle adverse weather conditions ▪ Associate with neighbouring units to handle community activism ▪ Third party assessment for vulnerability of assets (towards climate change till end of life) ▪ Process adherence to check gaps during execution	▪ Financial Capital ▪ Manufactured Capital ▪ Social and Relationship Capital ▪ Natural Capital

OUR ESG COMMITMENT

Our low-carbon environment approach

At Adani Transmission, we believe that a low carbon approach is not peripheral to business; it is integral to it. A low carbon approach represents a foundation that facilitates business scalability. This priority is now virtually universal, making it possible to attract debt quicker and at a lower cost; it enhances stakeholder confidence translating into stronger employee retention. By making operations safer, more predictable and more efficient, there is a positive influence on profitability. ATL has embraced the philosophy of a low-carbon business and intends to emerge as a responsible thought leader in the transmission and distribution of clean power.

Climate change

At ATL, our objective was to build enduring multi-decade assets. Over the years, we invested in the fabrication of operating assets designed to resist extreme heat waves and humidity that could potentially impair grid efficiency. Besides, the de-carbonisation of thermal-based power systems could alter the grid energy mix, warranting adaptation. Besides, our transmission assets were located in Rajasthan, Gujarat, Maharashtra, Bihar, Madhya Pradesh, Haryana, Uttar Pradesh, Chhattisgarh and Jharkhand that were vulnerable to natural disasters, putting a premium on our ability to build resilient infrastructure.

As a forward-looking infrastructure company, we had integrated climate considerations into our decision-making and risk management. We played a constructive role on new climate change policy solutions with governments, industry associations, environment organisations and communities. We focused on the improvement of ongoing emission intensities and operational efficiency. We tracked and reported our related initiatives to moderate energy consumption and carbon emissions.

ATL embraced its responsibility not only to power communities but also addressed risks posed by climate change. As a transmission and distribution company, ATL's business was exposed to physical and transition risks due to climate change, making it imperative to take into consideration emerging climate change conditions and their impact while deciding a specific geography, design, construction, operation, and maintenance of infrastructure (existing or new) and an effective policy to tackle related challenges.

Being a responsible corporate citizen, ATL recognised its role in creating a low-carbon and sustainable economy without compromising collective and holistic growth. The Company became a signatory to the Declaration of Private Sector on Climate Change, pledging to take climate actions to drive the country towards targets under the Paris Agreement.

The Company's goal was to establish stronger transmission networks within each system and stronger interconnections between systems. To achieve the same out of various approaches during the design stage, one of our practices was to evaluate all conditional aspects like wind zones, seismic zones, soil resistivity, water properties, hydrological assessment and other environment factors. By the virtue of this, our towers possessed the capacity to withstand a range of contingencies and adverse realities.

The Company took appropriate insurance for all assets against foreseeable risks. The cost of repairing and restoring assets due to any damage caused due to unforeseen conditions, including risks due to climate change, were covered by insurance, which protected stakeholders from climate change risks.

ATL's Board of Directors recognised the importance of climate change issues as well as their significance to business and stakeholders. It recognised the potential impact and opportunities climate change could create for the group's generating and operating capabilities.

Given the significance of risks and opportunities posed by climate change on ATL's business, including physical, regulatory and market-related issues, the Board and its committees were actively involved in related issues.

ATL's Board committees, including the Corporate Responsibility Committee, Audit and Risk Management Committees, were informed of climate risks within the Risk Management framework, sustainability policy, management systems and monitoring results, depicting the effectiveness of the management systems and data assurance. The climate-related issues of ATL were addressed by a Corporate Sustainability Policy; policy deployment was reported to the Board.

The Board of Directors delegated the responsibility for extra-financial disclosures to the CEO. All strategic and operational responsibilities, including climate change related issues, sustainability performance and value creation, were executed by the CEO of ATL.

Corporate action in response to climate change-related issues and achievement of targets, including implementation of energy-efficiency measures, was a part of the CEO's key result areas (KRA). In line with the KRA, climate change and sustainability-related performance-based incentives were incorporated in the senior management's compensation. Senior executives, including plant heads, energy managers and station heads had their remuneration linked to climate change and sustainability-related performance-based incentives.

Climate change risk management framework

At ATL, climate-related risk and opportunities were identified and assessed fewer than two processes - Health, Safety, and Environment Management System and Enterprise Risk Management.

ATL's established risk management framework was constituted under the Risk Management Committee, which assessed, managed and reported on all significant risks, business impact and mitigation. This provided a framework to manage risks while achieving strategic and operational objectives and continuing to meet ATL customer needs. The risk management team, guided by the Chief Risk Officer, was implemented across the Company to enable all employees and business associates to raise any risk identified by them to the next level. ATL's risk management framework was based on COSO (The Committee of Sponsoring Organisations of the Treadway Commission) framework.

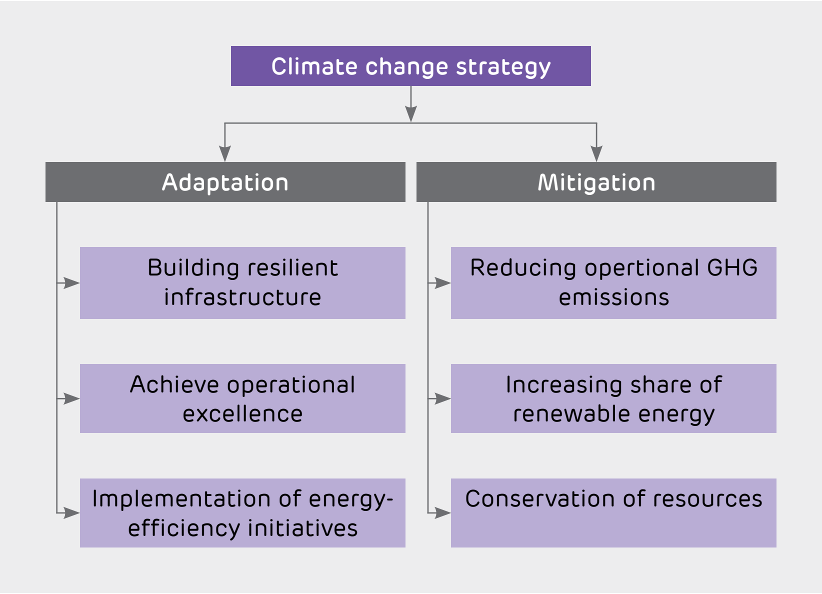
Demonstrating ATL's commitment to addressing and managing climate change, the organisation integrated climate change risks, including physical and transition risks, as a part of the organisation's established risk management framework. The climate change-related risks were overseen by the Audit and Risk Committee of the Board.

Strategy

To address the challenges and minimise the impact of climate change on operations, ATL adopted adaptation and mitigation strategies. ATL's strategy was to evaluate the impact of climate change and operations to adapt systems to become more flexible and resilient. Following impact evaluation, the Company minimised greenhouse gas emissions by increasing ATL's percentage share of renewable energy generation and transmission, investing and implementing energy-efficiency measures and pursuing active water stewardship.

Key aspects of ATL's strategy

- Integrated climate considerations into key business decision-making and managing related risks through ATL's corporate enterprise risk management system
- Played an active constructive role in new climate change policy solutions with governments, industry associations, environmental organisations and communities
- Improved emission intensities and operational efficiencies across all ATL facilities
- Tracked and reported efforts to increase renewable energy share and reduce energy consumption.



Climate change risk assessment

As a transmission and distribution company, ATL's business was exposed to physical and transition risks of climate change.

Scenario analysis

To identify and assess climate change-related risks inherent in ATL operations, the organisation adopted a climate scenario- based analysis technique. ATL employed IPCC's RCP 4.5 (medium emission) and RCP 6.0 (high emission) pathways (equivalent to 1.7-3.2OC) to assess operating site risks and impacts. The climate change issues, including projected changes in the monthly maximum temperature, monthly rainfall, severe drought likelihood and land projected to be below annual sea level, were studied in this scenario analysis. The climate projections were carried out for the medium-term (2020 to 2039).

Physical risks

Physical risks resulting from climate change could be event- driven (acute risks), including increased severity of extreme weather conditions like cyclones, hurricanes, floods etc. or longer- term shifts (chronic risks) in climate patterns that could cause a change in wind patterns, hydrological flows, sea level rise, etc. Physical risks had the potential to impact the organisation, directly damaging assets and indirectly disrupting the supply chain.

Acute risk: According to the scenario-based climate risk assessment, ATL assets (Rajasthan, Gujarat, Maharashtra, Bihar, Madhya Pradesh, Haryana, Uttar Pradesh, Chhattisgarh and Jharkhand) were prone to acute physical risks like flooding, cyclones and earthquakes.

Chronic risk: Projected increase in temperatures due to climate change could significantly impact transmission and distribution efficiency and reliability due to energy losses. The projected physical risks could significantly damage the ATL's transmission infrastructure and impact grid efficiency. Although no significant climate change impacts were recorded, to address worst-case scenario and the findings of ATL's climate projections the sites were classified as critical and appropriate risk management measures were taken.

Adaptation and mitigation measures

Building resilient infrastructure: ATL strived to establish stronger transmission networks within each system and stronger interconnections between systems by employing robust tower designs to withstand extreme weather events. ATL's infrastructure design practices proactively evaluated all conditional aspects like wind zones, seismic zones, soil resistivity, water properties, hydrological assessment, and various other environmental factors. By the virtue of this, ATL's towers held the capacity to withstand a range of contingencies and adverse conditions.

Achieve operational excellence: One of the most significant impacts of high temperatures on Integrated Annual Report 2021-22 the transmission and distribution networks was the loss of efficiency and reliability of networks due to energy losses. ATL endeavours to minimise energy losses by modernising transmission and distribution networks resulting in enhanced operational excellence.

Emergency Restoration System (ERS): ATL's operational resilience rested on its ability to rapidly recover following an extreme weather event. Rapid recovery following a transmission or distribution network collapse required inspection and replacement or repair of damaged system components. ATL had two ERS sets in the central part and one ERS set in the western part of country.

Transition risks

Transition risks and opportunities created by climate change were driven by shifts in policy, legal, market and technologies to address mitigation and adaptation requirements associated with a low-carbon economy. In this context, ATL considered the following transition risks that could impact its business.

Transition risk	Risk	Opportunity
Policy and Regulatory risks	▪ Pricing of GHG emissions such as a Carbon Tax ▪ Enhancing GHG emissions limiting and reporting obligations ▪ Enhancing mandates on renewable energy share.	▪ Reduced the organisation's GHG emission intensity ▪ Maximised renewable energy integration ▪ Implemented energy-efficiency initiatives
Technological risks	Shift to low carbon technologies	Enhanced renewable power capacity
Market risks	The market may be disrupted, affecting the ability of players to transition	▪ Accessed to emerging markets through renewable energy mix in the distribution business ▪ Supported customers by facilitating rooftop solar installations ▪ Commissioned EV charging stations

Reduction of GHG emissions

ATL's GHG footprint in the reporting period was 2.69 Mn tCO_2e of Scope 1 emissions and 0.56 Mn tCO_2e of Scope 2 emissions and 4.09 Mn tCO_2e of Scope 3 emissions. The Scope 3 emissions were accounted for top three categories as per the GHG Protocol - upstream transportation, mainly coal by sea, rail and road route; electricity traded and downstream transport of fly ash emissions from employee commute for thermal power plant, business travel for thermal power plant, contractor vehicles transporting material and machinery, contractor vehicle engaged in people movement and electricity consumed by customers. ATL endeavoured to report more Scope 3 emission categories in the coming years.

ATL set a target to reduce greenhouse gas emission intensity (on per ₹ revenue generation) by 40-45% by FY 23-24 in line with India's National Determined Contribution (NDC).

In line with this target, ATL disclosed its baseline carbon intensity at 4.58 tCO_2e/ Lakh ₹ revenue generated in FY 18-19 as baseline as a part of the Integrated Annual Report 2019-20 and its first CDP response in 2020. ATL has committed the net zero target by 2030 and the commitment is publically availabe on SBTi's website. The process for net zero target validation is under process.

The reduction in GHG emissions was achieved mainly through an increased share of renewable energy and investment in energy efficiency initiatives during the reporting period as discussed below.

Environmental factors impacting ATL's business model

Climate awareness	Carbon emissions	Resource management	Waste management
Climate readiness	**Reduced the carbon footprint** ▪ Increase in renewable procurement for the distribution business (awarded 700 MW of solar + wind power contracts to be available by FY 21-22) ▪ Promotion of rooftop solar in Mumbai ▪ Reduce GHG emission intensity in AEML ▪ Ground-mounted solar power of 3.362 MWp for auxiliary consumption at various ATL substations	**Optimised resource use** **Water**: Rainwater harvesting at substations **Land**: Compact substations in distribution business (elevated and underground substations)	**Reused and reduced waste** ▪ 100% fly ash utilisation at generating stations ▪ S+5S (Sort, Set in Order, Shine, Standardise, Sustain) implemented at all locations
Climate alignment	**We moved into the next stage of our sustainability journey with more ambitious plans and targets related to preserving environment and measuring GHG emissions by:** ▪ Evaluated and planned for climate change driven adversities ▪ Provided efficient energy solutions for Mumbai's 12 Mn+ consumers. **We aligned our business plan and invested in activities for sustainable growth:** ▪ Research and development for design-driven efficiency ▪ Biodiversity management and conservation ▪ Optimisation of waste and energy consumption		

Environment strategy

		Impact level	Goal
Build resilient infrastructure	Adaptation	Moderate	Long-term sustenance of tower
Achieve operational excellence	Adaptation	High	▪ Reduction in downtime during maintenance ▪ Maintained more than 99% availability
	Mitigation	High	▪ 30% renewable power procurement for the distribution business by FY 22-23 and 60% by FY 26-27 ▪ 100% auxiliary consumption from renewable sources in transmission business ▪ Reduce GHG emission intensity in AEML
	Mitigation	Low	▪ Enhanced rainwater harvesting at substations ▪ Compact substation
Protect ecological services	Adaptation	Low	▪ Land use ▪ Increased green cover

Actions	Key parameters	Performance
Robust tower designs to withstand extreme events	Number of tower collapses recorded	Zero
▪ Minimised energy loss ▪ Maximised network availability	▪ Average distribution loss ▪ Transmission system availability	▪ Average distribution loss: 6.55% ▪ Transmission system availability: 99.70%
▪ Maximised renewable energy use	▪ RE% procurement ▪ Renewable power capacity (MW) ▪ % power consumed from RE source in transmission business for auxiliary power	▪ AEML had tied up a hybrid (solar+wind) 700 MW PPA ▪ Renewable energy procurement in FY 21-22: 716.98 MW ▪ Renewable power capacity installed: 3.362 MWp ▪ % power consumed from renewable sources in transmission business for auxiliary power: 21.78 at substation
▪ Replenished groundwater ▪ Reduced resource use	▪ Rainwater harvesting capacity created at substations ▪ Land use optimised	▪ Freshwater withdrawal (KL): 17,98,170 ▪ Waste Water recycled (KL): 1,98,500 ▪ Compact substations in distribution business (elevated and underground substations)
▪ GIS substation ▪ Plantation drive	▪ Number of GIS substations ▪ Number of plantations	▪ 8 GIS substations (3 under operations and 5 under projects) ▪ Total trees planted (cumulative): 2,48,71,217

Carbon sequestration

ATL invested in plantation activities in and around its operations to influence carbon sequestration. Over the past 20 years, ATL planted 2,48,71,217 trees covering 374.95 hectares. Including a grown forest between 10 to 20 years of age, grass including 0.5 meter subsurface root system and mangroves (10 to 20 years)

ATL was in the process of developing an Internal Carbon Pricing Mechanism based on its emission intensity. ATL had participated for the first time in the CDP (Carbon Disclosure Project) disclosure of climate change during the current reporting period and was a signatory to the Task Force on Climate Related Financial Disclosures (TCFD).

Green coverage	Area (hectare)	Unit	Total carbon sequestration, Tons/ Hac/Year	Total CO_2 uptake, Tons/Year
Full grown forest (10 to 20 years) or plantation with 1000 full grown trees per hectare	116.21	Tons/ Hectare/Year	145	533.11
Grass including 0.5 metre subsurface root-system	31.65	Tons/ Hectare/Year	24	87.12
Carbon sequestration by mangroves (around 10 to 20 years)	227.09	Tons/ Hectare/Year	568	2,084
	374.95		737	2,704

Environmental performance

At ATL, we held the ideal of zero violations of environmental regulations and laws dear to our existence. We complied completely with all applicable environmental regulations based on a foundation of accountability, engagement and continuous improvement. In view of this, we stayed abreast of evolving global and Indian environmental regulations. We audited our compliance procedures; we enhanced scrutiny through the use of our legal software LEGATRIX that enhances control. ATL has fully complied with all the applicable environment regulations with zero violations and not paid any significant fines or penalties related to environment in the previous years.

As an ongoing discipline, we subjected ourselves to an annual audit that measured our adherence with environmental regulations, permits and environment management system. We instituted control systems, the results of which are regularly reviewed by our Board's Audit Committee. We extended beyond mere compliance requirements from a narrow perspective towards performance standards that exceeded the prevailing sectorial average; we had also extended from compliance-driven reporting to voluntary awareness enhancing engagements in schools and villages on resource conservation.

Build resilient infrastructure

Robust tower design: The transmission networks evolved from the singular and local to regional and interregional, strengthening national network reliability. In addition to the conventional tower designs customised to our needs, we developed innovative designs that reduced the need for patches and braces, which minimised structural stress during construction. The result was that ATL towers comprised a smart cum cost-effective arrangement of secondary members, flange connections and notching tower strength and network reliability. Besides, the Company's technology-driven tower design accounted for wind zones, seismic zones, soil resistivity, water properties, hydrological assessment and other factors to withstand extreme operating conditions.

Minimise losses: Rising temperatures could affect transmission and distribution network efficiency, affecting margins, competitiveness and reputation. Over the years, the Company had invested in design, technology and periodic upgradation with the objective to minimise energy losses by modernising transmission and distribution networks.

Emergency restoration system: The capacity to revive and recover following a transmission or distribution network collapse warranted continuous vigilance and a trained workforce. In lightweight structures, ERS helped restore the transmission system with tower erection tenure of 3 to 15 days that minimised restoration delays. ATL had two ERS sets in the central part and one ERS set in the western part of country. We regularly did mock-drills to check the readiness of system.

Operational excellence

RE integration: Clean energy integration into conventional transmission networks reduced emissions and costs. Although the initial cost to integrate variable energy flow was high, it was exceeded by returns. The integration of renewable energy also offered ATL a widening opportunity in view of the Government of India's target of generating 175 GW of renewable energy by 2022.

Moderate resource use: The only negative environmental impact of the transmission business could be during construction and operation. ATL implemented Environmental Management Systems and monitoring processes to moderate its environmental footprint across operations.

Energy reduction: During FY 21-22, ATL consumed 33,777 GJ of direct energy and 81,305 of Indirect energy across various operational units. The decarbonisation plan comprised improvements in the energy mix of the distribution business and facilitating rooftop solar installations and EV charging services.

Achievements in FY 21-22

- Received Zero Waste to Landfill certification for 100% business activities in the O&M phase with diversion rate more than 99%.
- Adani Dahanu Thermal Power Station, a 500 MW TPP of AEML, had achieved certification for Zero Waste to Landfill (ZWL) with diversion rate of 99.96% on mass balance basis.
- Achieved DJSI-S&P score of 63, which was better than the average for the world electric utility sector
- Obtained ISO 27001 for IT Security for the entire ATL boundary.
- 100% operations and project sites were covered under ISO 14001 and ISO 45001.
- Rated BBB by MSCI.
- Specific GHG emission reduction compared to baseline.

Energy performance

The energy consumed by ATL came from non-renewable and renewable sources. Some part of the energy (power) consumed was generated from the coal-based thermal power plant located at Dahanu, Palghar, in Maharashtra, while some energy was purchased by ATL.

ATL set the following targets to increase the percentage of energy consumption from renewable energy sources.

- 30% renewable energy power procurement for the distribution business by FY 22-23 for which needful power purchase agreement had already been done.
- 100% auxiliary consumption from renewable sources in transmission business
- Installation of renewable generation capacity ability.

Energy intensity

With an intention to reduce the energy consumption year-on-year, ATL disclosed the energy intensity parameter, which is a ratio of the total energy consumed to revenues generated for the particular year.

Parameter	FY 21-22	FY 20-21	FY 19-20
Energy intensity (Gigajoules/revenue in Mn rupees)	0.97	0.81	1.31

During the year under review, ATL implemented energy-saving initiatives that helped moderate cost savings and environment impact. The Company continued to make structural changes in equipment; it replaced parts to plug leakages and reduce inefficiency.

The GHG emissions accounted for the Scope 1, Scope 2 and Scope 3 emissions are listed below:

Particulars	Unit	FY 21-22	FY 20-21	FY 19-20	FY 18-19
Scope 1 emissions	tCO_2e	26,91,062	25,92,313	31,87,007	34,46,189
Scope 2 emissions	tCO_2e	5,57,775	3,32,211	21,155	24,078
Scope 3 emissions	tCO_2e	40,89,587	37,63,610	53,56,636	-

Air pollution

ATL's direct environmental impact was through its generating station at Dahanu, which had been invested with state-of-the-art technologies to moderate air and water emissions to well below compliance requirements. As a forward-looking entity, ATL endeavoured to extend beyond compliance requirements. This could be witnessed in the operations of ATL's thermal generation unit which was awarded a 5-star rating by the Maharashtra Pollution Control Board (MPCB) for low levels of PM10 (Particulate Matter) emissions in the current reporting period.

At ATL's generating station, the various measures taken to control of pollution were as follows:

- To control Particulate Matters (PM) generated from the coal burning, electrostatic precipitators (ESP) comprising four passes with six fields and efficiency of over 99.91% to collect fly ash were provided.
- To control sulphur dioxide (SO_2) emissions, the flue gas desulphurisation (FGD) unit with efficiency of more than 90% was commissioned in October 2007. This measure ensured that ATL's SO_2 emissions were well within the norms set by the Central Electricity Regulatory Commission (CERC).
- Due to the provision of Over Fire Dampers, the Nitrogen Oxide (NOx) emission was within limits since inception; a stack of 275.38 meters height ensured thin dispersion of flue gas over a large area.
- The Company was the first in India to install FGD to prevent sulphur emissions/acid rain.
- The Company invested in four ambient air quality monitoring stations to protect consumer health

Emissions due to other sources

Emissions by source	Unit	FY 21-22	FY 20-21	FY 19-20	FY 18-19
Direct NOx emissions	MT	3571.6	2,989.9	2,941.56	2,666.88
Direct SOx emissions	MT	2106.4	1,407.2	1,069.6	1,004.1
Direct particulate matter emissions	MT	454.0	379.3	2,941.56	375.7

ATL set a target to reduce greenhouse gas emissions intensity (on per ₹ revenue generation) by 40-45% by FY 23-24 in line with India's Nationally Determined Contribution (NDC).

The reduction of greenhouse gas (GHG) emissions was achieved mainly through increased renewable energy share and investment in energy efficiency initiatives during the current reporting period.

Energy efficiency programmes

ATL implemented various energy-saving initiatives that helped the Company generate cost savings while reducing environment impact. The organisation identified opportunities to reduce its environmental footprint in a phased manner. The organisation made various structural changes in equipment, replaced parts to plug leakages and reduced inefficiencies.

Energy initiative projects

ATL is known for its distinctive operational performance that sets it apart from others, in terms of technological innovation, superior performance and sustainability. We implemented the following energy saving projects during the previous two years.

- U1 (Unit01) replacement of HP (High Pressure) & IP (Intermediate Pressure) Turbine - OH (Over Hauling) of LP (Low Pressure) Turbine
- Reduction in slip loss of BFP 1B (Boiler Feed Pump Unit 1B) hydraulic coupling in U-1
- Using solar to offset auxiliary consumption from the grid
- Monitoring and optimised utilisation of diesel in the DG set
- Monitoring SF_6 (Sulphur Hexafloride) gas leak through contemporary technology cameras
- Certification of >99% zero waste to land fill
- HP heater performance improvement by attending parting plate leakage (improvement in heat rate by 7.8 kcal/kWh)
- Replacement of BFP cartridge in Boiler Feed Pump Unit1 A (reduction in auxiliary power consumption by 582 kW per hour)
- Installation of energy-efficient lighting (reduction in auxiliary power consumption of 448 MWh per annum)

Emission reduction

The use of SF_6 had a high Green Warming Potential (GWP). In view of this, ATL intended to replace the use of SF_6 in electrical insulation with environment-friendly solutions. The Company followed a strict protocol for the use of SF_6 in circuit breakers and refrigerants like R-22/R-32/R-410 in air-conditioners. For all installed electrical equipment, the Company conducted a preliminary screening for capturing SF_6 emissions and the use of SF_6 leakage detection kit for detecting leakages. Refrigerant usage was monitored using a simplified material balance method. Scheduled maintenance ensured minimum refills. Operational parameters were monitored for deviations and promptly addressed when needed.

Emissions	Unit	FY 21-22	FY 20-21	FY 19-20
Emission due to SF_6	tCO_2e	1,351	745.56	895.58

Water risks

ATL prioritised sustainable water management and implementation of the best management practices to minimise water consumption, maximise reuse and recycling, while addressing site-specific water-related issues.

As thermal power generation was water-intensive, ATL focused on responsible consumption through optimal water utilisation and conservation. Except for the power generation plant, all operating sites were sub-stations or transmission lines that were not water-intensive locales or did not require water for activity apart from domestic use. To ensure robust water management, conscious water consumption and water risk mitigation, ATL conducted a self-evaluation to assess whether the operating locations are water-stressed using tools like WBCSD Global Tool, etc.

Water management was integrated into ATL's risk identification, assessment and management processes, which enabled the Company to assess and prioritise risks, including water. ATL's dedicated EHS corporate policy emphasised conserving natural resources and an established Environmental Management System. Water management systems and procedures were covered under the Environmental Management Plan, which helped in systematic monitoring, controlling, checking, corrective actions and addressing water-related risks. The Company ensured systematic tracking and monitoring water availability. This was included in the organisation's risk identification and management process due to its relevance in its operations. ATL had a comprehensive database-monitoring system at its facilities to collect data regarding water availability including withdrawals and discharges. The collected data was compiled at the corporate office and published in Sustainability/Integrated Reports. WRI (World Resources Institute) Aqueduct tool was used to assess water availability in the area of operations and watershed level to obtain information regarding which sites were operated in water-stressed areas.

ATL employed the IPCC's RCP 4.5 scenario (equivalent to 1.7-3.2) analysis to study various impacts like a projected change in the monthly maximum temperature, monthly precipitation, severe drought likelihood and land projected to be below the annual flood level for 'Period: Impacts Projection' during 2020 to 2039. Water stress analysis was conducted to re-define the present approach towards water management; drought risk analysis was conducted to estimate probable changes in water availability to formulate a proactive approach towards future needs using the WRI-Aqueduct and India Water Tool.

ATL had done a Water Source Sustainability Study for its power generation plant, which addressed downstream impact assessment and included a water management and conservation plan. All these identified low impacts were part of the risk management and business continuity plans. The event-driven risks, including increased severity of extreme weather events such as cyclones, hurricanes or floods, etc. were covered under the appropriate insurance policies. The scenario analysis allowed the identification of operations in water-stressed areas and anticipated potential water-related conflict as well as group of stakeholders that could be involved. Activities were carried out in collaboration with the local water management authorities, State Ground Water Board and Industrial Board to adopt a shared water resources management strategy that also considered the needs of local communities.

ATL's legal department assessed the implications of current and upcoming water regulatory frameworks, which monitored international, national, regional and local legal requirements that could become applicable to its operations. All the facilities carried out an analysis of compliance with environmental regulations. This enabled a compliance with current regulations and monitors upcoming environmental regulations (including water-related laws) to be prepared for emerging requirements.

Water management

Our operations stretched across long distances and did not extract significant ground water at any single location. As a responsible company, we modeled short-, medium- and long-term impacts of our operations on water availability and use. Even as our water withdrawal and discharge continue to be low, we monitor our performance to ensure optimisation. In the transmission and distribution business, water was used largely for drinking, gardening and fire-fighting. At the generation units, water was used for producing steam. Water was sourced from the Kawdas pick-up weir from the Dhamni dam. Seawater was channelised through a zig open route to restrict temperature rise to below 5°C. ATL recognised the importance of incorporating 'Responsible Management of Water resource' in business strategy and risk management approach. The Company's systematic approach towards water management strategy and water-related risk helped achieve responsible water consumption and sustainable water management practices.

In the current reporting period, ATL set a target to become 'net water neutral' and replenish more than 100% of the water use in the Company-owned sub-stations under various ATL subsidiaries excluding assets under Adani Electricity Mumbai Limited, located at diversified water basins.

In line with the target ATL implemented rainwater harvesting structures of 128 Mn litres capacity at two sub-stations in Koradi and Akola, against the cumulative water consumption at 25 sub-stations under various subsidiaries of Adani Transmission

Limited excluding assets under Adani Electricity Mumbai Limited (72 Mn litres). ATL understood that water recharged at one water basin would not have direct impact on withdrawal at other water basins. However, it started the water stewardship journey with the above approach. ATL expected its rainwater harvesting structure to replenish more than 128 Mn litres of water within the organisational boundary, resulting in an improvement in water quality in the watershed through aquifer recharge and offsetting more than the total amount of water consumed by its 25 sub-stations. In addition, ATL was planning to submit CDP response for water security in the next financial year.

As a part of the automation initiative, ATL intends to develop a state-of-the-art Energy Network Operations Centre (ENOC) for its transmission business where all sub-stations will be operated remotely from the ENOC through an unmanned arrangement following the deployment of various technological solutions, security and surveillance systems. The benefits of this initiative are not just limited to optimise manpower and economical operation, but enhance reliability and efficiency, drive high-class operational performance as a sustainable competitive advantage; it helps moderate domestic water consumption at sub-stations and will lead us to net zero water consumption at sub-stations.

Water withdrawal

ATL consumed water from diverse sources (groundwater, municipal water, surface water, purchases from third parties and seawater). ATL's freshwater consumption and total water consumption during the last three years are shown below:

Water source type	FY 21-22	FY 20-21	FY 19-20	FY 18-19
Freshwater (ML)	1798.17	1,876.71	1,816.54	1,937.8
Seawater (ML)	4,65,495.32	3,77,533.8	3,77,004.15	4,09,698.9

Parameter	FY 21-22 (ML)
Ground water consumed	40.88
Municipal water consumed	147.9
Surface water consumed	1,576.88
Water purchased from third parties	32.52
Water discharged	0
Total water consumed	**1,798.18**

In line with the target to reduce freshwater consumption year-on-year, ATL disclosed 'water intensity', the ratio of the total water consumed to that of revenue generated. The water intensity for the last three years is mentioned below:

Parameter	FY 21-22	FY 20-21	FY 19-20	FY 18-19
Freshwater intensity (Kilolitres/Revenue in Mn rupees)	15.16	17.90	15.86	25.30

Water recycled and reused

The domestic effluent was being treated in ATL's in-house sewage treatment plants (STP) and the treated water was utilised for horticulture purposes.

Water source type	FY 21-22	FY 20-21	FY 19-20	FY 18-19
Water recycled (ML) or Water reused (ML)	198.50	233.754	204.49	246.22

Effluents treatment and discharge

Seawater consumed was treated as per the regulations and returned to the sea. Industrial effluents were generated by Dahanu Thermal Power Station, treated in the in-house effluent treatment plant established and disposed as per Central Pollution Control Board (CPCB) regulations.

Rainwater harvesting

ATL sub-stations at Didwana, Mundra, Mahendragarh and Alwar were located in water-stressed zones with average annual precipitation below 700 mm and where groundwater was the only water source in the region. To supplement groundwater, we explored rainwater harvesting in three water-stressed regions. The area possessed the potential to harvest 353,077 m3/year, which should be sufficient to address our gardening needs and recharge the groundwater table. ATL planed rainwater harvesting across all its substations. In FY 21-22, the total rainwater harvested by ATL and its subsidiaries accounted for 9.7 ML.

Material consumption

ATL's engineering department focused on the improved design of transmission towers with a focus on lower consumption of material (steel, aluminum and insulators) and customised environmental and technical parameters.

Key Material Consumption	Unit	FY 21-22	FY 20-21	FY 19-20	FY 18-19
Coal	MT	1,988,929	1,785,028.6	1,915,624	2,166,335
Concrete (M20) and reinforced cement concrete (RCC)	Cum	134,853	131,593	78,053	39,257.90
Steel (tower part)	MT	29,303	104,503	75,840	24,060
Aluminium alloy (conductor)	MT	18,616	33,994	22,394.95	4,444.93
Steel wires (conductor and earth wire)	MT	2,559	3,728	6,051.78	1,610.13
Diesel Consumption	KL	556.86	2,042.6	1,550.65	1,065.19

Waste management

We facilitated waste segregation and resource conservation through minimised waste generation. Our Integrated Management System (IMS) comprised a system for waste segregation at source and disposal as per the laws of the land. We managed waste by tracking waste-related data, including waste generation and disposal. Our waste disposal practices were aligned statutory guidelines. We ensured 100% fly ash utilisation from the thermal generation unit. We composted domestic, canteen and gardening waste (used as a fertiliser for horticulture at the Dahanu thermal generation site). We implemented 5S discipline across all substations. Our sites complied with applicable health, safety and environmental requirements to ensure that waste materials are sent for disposal in the most environment-friendly manner.

ATL made focused efforts to practice responsible consumption of resources and circular economy in waste management to essentially convert responsibility into an opportunity for value-creation. To facilitate proper waste segregation and resource conservation, ATL included a system in its Integrated Management System (IMS) for waste segregation at source and disposal as per the laws of the land.

ATL set a target to achieve zero waste to landfill (ZWL) across all sites by FY 24-25. In line with the target, the organisation collected and utilised 100% of the fly ash produced in its generating station. 100% of electrical waste during the time of set-up got recycled as per the industry best-practices. In the last reporting period, 99% of the wastes generated from ATL's operations were diverted from landfills. To achieve 100% conformance with the ZWL target, ATL conducted an internal gap assessment to identify and implement measures. The performance of this would be reported in this financial year. In addition, the quantity of hazardous waste generated decreased significantly.

In alignment with the UNSDG 12, we focused on consuming water resources efficiently and reducing our freshwater consumption by recycling and reusing as much water as possible. We had been installing rainwater harvesting systems to replenish 100% of the freshwater water consumed and achieve water neutrality. In addition, we emphasised the responsible consumption of material resources and proper waste management. This means that ATL has taken target to achieve Zero Waste to Landfill by FY 25 but we got certification well before time line i.e.in FY 23. The Dahanu and ATL O&M substations got certified with 99.96% and 99.98% of waster diversion rate away from landfill respectively. Around 8.6% of the ATL's operating locations were certified as single-use plastic (SUP) free by the Confederation of Indian Industry (CII) during the reporting period. Also, ADTPS, our thermal generation unit, was certified as SUP-free by third party.

ATL set a target to become a single use plastic-free company. In line with the target, ATL conducted SUP-free certification for its three sub-stations on a pilot basis in the current reporting period.

Waste generation and disposal

Waste generated	FY 21-22	Type	Method of Disposal
Hazardous waste	315.41 MT	▪ Oil drums ▪ Used transformer oil ▪ Used/spent oil ▪ Waste/residue ▪ containing oil MS barrel ▪ Waste resin ▪ Used cotton waste ▪ Empty contaminated drums	Authorised recycler and re-processor
Non-hazardous waste	3259.44 MT	▪ Insulator scrap ▪ Wood scrap ▪ Steel scrap (tower materials) ▪ Aluminum scrap (conductors) ▪ GI scrap ▪ Aluminum scrap (others) ▪ Scrap rubber ▪ Scrap copper ▪ Scrap corroded APH basket ▪ Saw dust ▪ MS scrap ▪ Reinforcement steel	Sale and auction
E-waste	345.69 MT		Recycler

The Company engaged with suppliers to use steel (instead of wood) drums for conductor rolling and supply oil by tankers instead of oil drums.

Protect ecological services

Land use: To minimise societal impact, we applied the Right of Way (RoW) approach in our transmission and distribution line, which did not warrant land acquisition. For setting up substations, we purchased land on a 'willing buyer, willing-seller' basis by compensating owners. Conventional substations with Air Insulation Switchgear (AIS) required large space, for which we invested in compacted Gas Insulated Switchgears (GIS) substations wherever possible.

Compact modular designs made it possible for substations to occupy ~10% of a conventional air insulation substation. Transmission lines could extend across 1,000 km; on the field, transmission line towers and support structures could affect agricultural land and increase weed spread. In protected areas, the forest area under a new transmission line was removed from providing ecological services. Permanent nature impacts were seen in new tower locations and border zones of line clearing. Our projects and operations may affect local natural habitats and dependent communities. We followed principles of avoidance, minimisation and mitigation in environment management and biodiversity. We collaborated with local community groups, academia and environmental experts to protect and restore natural habitats. We avoided sensitive zones, protected areas and natural habitats to the extent possible when planning new transmission line routes. We preserved nature identified at the planning stage during line construction.

ATL recognised its role in helping arrest the global decline in biodiversity. As part of its responsible approach, ATL built partnerships and works constructively with stakeholders; it assessed impacts on key biodiversity issues and made decisions that take account of these impacts. ATL strengthened its commitment of being a responsible corporate citizen in the field of biodiversity by adopting a dedicated Biodiversity Policy and becoming a signatory to IBBI (India Business & Biodiversity Initiative). As per the policy, ATL intended to become 'net positive' in terms of biodiversity.

In the current reporting period, an internal expert team assessed ATL's impact on biodiversity for key substations. The result of the study indicated that there were no significant impacts on biodiversity in those areas. The Company was working towards assessing and mapping biodiversity at its operating sites through third party experts, to determine the level of biodiversity in the area and to identify the potential impacts of ATL's operations. The mapping and assessment of biodiversity at ATL's locations is expected to be completed by FY 22-23.

ATL interacts with the environment in number of ways and its business was intricately linked with the ecosystem around which it operated, including the forests, grasslands, and mangroves. The organisation made concerted efforts to ensure a minimal impact on the environment, generating the lowest harm to biodiversity through its operations. ATL followed principles of avoidance, minimisation and mitigation in addressing the environment and biodiversity. It focused on avoiding ecologically sensitive zones for transmission line routes, minimising its biodiversity impact by reducing energy use and restoring habitats.

KNOWLEDGE CAPITAL

How we built a robust people platform for sustainable growth

Overview

At Adani Transmission, we believed that developing and maintaining a conducive work culture was imperative to achieve our potential. We had an engaged and skilled workforce capable of delivering enhanced value to our stakeholders. This approach was making us 'future ready' - structurally, financially and culturally.

Human resource management was a key differentiator at Adani Transmission. Our ability to deliver long-term value was derived from participative management. Our culture exemplified our core values, nurturing innovation, creativity and diversity. It encouraged high performance through continuous development and opportunities for growth, enhancing engagement and experience through our distinctive reward and recognition programmes.

Our HR practices

At Adani Transmission, we not only concentrated on employee performance but offered equal importance to improve ecosystem that encompass employee engagement, living standards and cultural development. The Company's HR goal was to align all people-centric practices and approaches with the objective of the organisation, establishing itself as a strategic business partner and strengthening ATL as a joyous place to work. The Company has an employee code of conduct to enhance people clarity and confidence. The policies were designed to enhance association and employee engagement. Few of the most valued people friendly HR policy comprised housing loan interest subsidy, leave policy, employee relocation, employee/ family get together, children's education scholarship and group loan policy.

Our HR aspiration

The Company's HR goal is to be among the best employers and becoming an employer of choice. ATL aimed to hire and retain the best talent, building a talent pool across all level in the organisation. To make the big leap, the Company intended to develop resources to positions of higher responsibility by providing ample opportunities to internal talent to develop, grow and fulfil their career aspirations.

Challenges and countermeasures

The second pandemic wave disrupted routine activities across all industry at the beginning of the year under review.

ATL's human resources team strengthened business continuity through proactive planning and resource mobilisation. The Company strengthened its medical team, created dedicated quarantine centres and ensured the timely vaccination of employees and their family members. ATL's medical team arranged for the admission of affected employees and their family members in COVID-19 hospitals, aided with the monitoring of health vitals, enabling health improvement. The HR team prioritised remote working and restricted physical contact between consumers, minimising viral transmission risks. Besides, the Company conducted training and awareness sessions digitally without disruption. The Company provided emotional and wellness support through continuous interventions, ensuring the health and safety of all employees

Digital transformation was critical in responding to workplace and business ecosystem disruption.

ATL engineered digital transformation by upskilling and reskilling employees that comprised digital transformation readiness, digital transformation knowing and digital transformation fluency.

It became imperative to build the right talent pool to support growth.

ATL strengthened capability building and talent development at each level. The Company invested in the future through progressive recruitment, plugging managerial gaps and enhancing proficiency and competence. This talent pool was equipped with digital and other technologies to enhance productivity.

Our competitive strengths

Benchmarking: Benchmarked compensation, benefits, policies, engagement levels, ESG parameters, productivity metrics and efficiency parameters with the best market standards.

Team: Upskilled and experienced team around subject matter competence, application effectiveness and entrepreneurial capability in line with long-term and short-term business priorities.

Sourcing: Recruited the right talent for the right role coupled with a superior onboarding experience. These recruitments were based on talent analytics, partnering external organisations, using best-in-class research methodologies for talent assessment.

Robust process: Aligned our HR function processes and policies with our business direction and momentum, enhancing effectiveness.

Responsible: Invested in safe and responsible work practices in and around its premises.

Automation: Invested in automation and digitalisation to enhance process predictability and productivity.

Principal differentiator

The Company's people management platform focused on capability building, capacity planning and leveraging technology and analytics to improve people processes and operations. The Company developed and inducted talent to build a leadership pipeline and using digitised campus platform to assess and select talent at scale. The achievements comprised organisational restructuring to shift from function-centric to a customer-centric organisation; launch of leadership programmes; fast-track leadership pipeline for identified talent; job rotation for holistic business understanding; change management initiative to facilitate quick change as per changing business requirements; launch of multiple employee wellness and engagement initiatives.

Priorities

At ATL, our priority was to leverage the power of technology in defining the ways of working, engaging, empowering and decision-making that enabled employees, managers and HR partners to support business priorities in the most efficient, integrated and competitive manner. The priorities comprised the following: employee strength creation by ensuring effective talent acquisition strategy and efficient execution of the talent acquisition process; capability building through data supported talent development interventions customised to address organisational and individual goals; continuous monitoring of strategic and performance metrics and use of insights to manage risks; creating a learning environment for the workforce by providing an engaging platform to address needs in an easy and digitally assisted manner; centralised delivery of all transactional HR services from centralised support service team using appropriate tools and automation; attract and develop a talent pool with business, functional and digital skills; creation of new capabilities and functions like industry cloud and ENOC, among others; prepare the organisation to thrive in VUCA (volatility, uncertainty, complexity, and ambiguity) world and continuously changing business dynamics; inclusive efforts to create ATL as a joyous place to work with meritocracy and engagement as the cornerstone; strengthen ESG parameters benchmarked globally.

Focus

Our endeavours were in the direction to create agile, versatile and dynamic talent with the right skillsets. Our new-age businesses, digital skillset, consumer centricity, ESG, branding, required different approaches to talent acquisition, development and retention.

Building cadre: To nurture young talent and to fulfill career aspirations, ATL strongly believed in developing talent across all demographics and recruiting Graduate Engineer Trainee (GET), Executive Trainee (ET), Management Trainee (MT) and Adani Accelerated Leadership Program (AALP). Our structured cadre programs helped recruit best talent at the entry-level and leverage our positioning to attract experienced talent.

Talent assimilation: In order to build capacity and capability, ATL was committed to provide opportunities to employees.

Being an employer of choice, we welcomed fresh and experienced talent, ensuring they were inducted through a detailed program and assimilated in the system.

Job enrichment and enlargement: ATL introduced initiatives for critical position holders to build capacity through exposure to challenging assignments and projects. We developed employees through horizontal growth opportunities comprising intra-functional and inter-functional exposure.

Technical expertise and leadership potential: ATL evaluated functional competence requirements at the organisational, functional, team and individual levels. Based on the gaps, experts provided training and development programmes to ensure that all competence requirements were addressed.

Infuse technology and analytics: ATL integrated business processes with technology-enabled HR systems and processes. The Company emphasised critical technical skills for technological advancement. Key technical skills like AI, ML and data analytics were identified, developing a Centre of Excellence to nurture subject matter experts.

Digital Interventions

Tech talk

ATL introduced new technologies for all employees to create a digital mindset. The Company organised initiatives like Tech Talk sessions, development of critical skills (artificial intelligence, machine learning, digital analytics, process modelling and creation of a Centre of Excellence).

Tech Talk comprised facilitator-led interactive learning sessions delivered by industry experts. Each session was woven around innovations in the energy sector - digital transformation of the energy industry as well as cutting-edge technologies transforming our lives. These sessions were uploaded on the internal learning resource portal for anytime reference.

IMPACT - Pioneering Projects, Empowering Careers

The Company recognised the need to enhance an understanding and appeal of its sector to the youth of today. An internship program called 'IMPACT – Pioneering Projects, Empowering Careers' made it possible to invite young talent to embrace projects across fields (Engineering, Projects, Operations & Maintenance, Technology, Business Strategy, Finance and Techno Commercial).

ATL invited talent from premier institutes, exposed to challenging short / mid-term internship projects related to technical and management domains. These projects were designed around transmission sector challenges.

The organisation remained committed to provide an elevated learning ecosystem comprising resources enabled by ATL but beyond institutions and project proponents.

Employee engagement

Adani Transmission focused on capability building through technology inclusion and proliferation. Employee capability was enhanced by rolling out niche interventions (Tech Talk sessions, AI and ML training, data analytics training and creating a Centre of Excellence to build expertise across domains.

A Gallup Survey attracted participation above 94%. The Gallup survey helped in understanding employee engagement; the survey score helped design HR strategies. An emotional wellness programme was conducted under the Adani Cares umbrella in partnership with ICAS, offering confidential and supportive counselling to employees and their family members.

An Employee Appreciation Week helped recognise the contribution of outperforming employees.

Internal job postings were offered to employees. All employees were covered through different capability building programmes. Capability-building initiatives were conducted through IGNITE learning initiative in which a learning journey was designed at each level. The Company won the Greentech Transformative Human Resource Award 2021 for outstanding employee engagement. The organisation also engages with employees for Festival celebrations, Birthday celebrations and creates joyous moments for employees to cherish.

Employee welfare

Employee welfare empowers ATL to build an efficient, healthy, loyal and satisfied workforce. The Company responded with the following schemes to enhance welfare:

Life insurance: All regular employees are covered under the Group's Term Life Insurance plan.

Health care: All executives are covered under a Mediclaim policy; non-executives are covered by a hospitalisation scheme.

Disability and invalidity coverage: All employees are covered by a GPA policy.

Retirement provision: All employees are members of Provident Fund and Gratuity schemes

All employees are entitled to parental leave.

Protecting human rights

ATL remains committed to support and practice high standards of labour conditions and human rights across all operations while conducting business responsibly and with integrity. ATL's Human Rights policy and Code of Conduct are based on the framework of

the International Bill of Human Rights and the International Labour Organisation's Declaration of Fundamental Principles and Rights at Work. To ensure strict adherence and respect for human rights, issues have been addressed in the Corporate Sustainability Policy, while implementation is taken care of by the CSR and Sustainability Committee of the Board. ADTPS and ATL (excluding AEML) are certified by the social accountability standard SA8000. All other ATL entities are in the process of implementing systems and procedures according to SA8000 certification requirements.

Communication and training for employees

ATL is committed to implement the highest standards of human rights. Human rights clauses are a part of the employee code of conduct and employee offer letters in addition to being communicated through company e-mails and notices. All employees are trained in the Human Rights Policy at the time of induction.

Awareness sessions on human rights and associated laws, along with workshops that include awareness on reporting human rights violations, are organised periodically. All women employees are trained by a committee on the rules and reporting process of Prevention of Sexual Harassment (POSH) at the workplace.

Human Rights risk assessment

As a part of the Social Accountability Standard certification pursued by ATL, annual internal audits and continuous workplace monitoring activities ensure a strict adherence to policies, identify violations, and take necessary action.

In the Dahanu Thermal Power Station, in accordance with the SA8000 certification, periodic Social Accountability Risk Assessment to identify and prioritise the area of actual or potential non-conformance to the standard needs to be conducted. The comprehensive list of human rights risks assessed are as follows:

- Engagement of child labour
- Engagement of child labour by suppliers and sub-contractors
- Engagement of forced labour
- Non-compliance of EHS guideline
- Corporal punishment, mental or physical coercion or verbal abuse of personnel
- Exceeding working hours
- Working without a weekly day of rest
- Lower payment of wages
- Overtime wages not paid at a premium rate
- Discrimination in the workplace

Currently, this risk assessment process is only conducted by Dahanu Thermal Power Station and will be adopted by the other entities as a part of the certification pursuance.

Child rights

ATL established a procedure to ensure that no child or adolescent labour was employed in its operations (in compliance with SA8000 requirements and corporate policy). During employment, all candidate age proof is checked before onboarding. No violation of child rights was reported during the current reporting period. However, in the unlikely event that a person classified as a ‘child’ does get employed, the organisation will take complete responsibility and remedial action to enable that such children attend or remain in school.

ATL established a Grievance Redressal Mechanism, which enables all employees to report human rights violations. The engineers on site are responsible for the allocation of the day-to-day responsibilities and employees are trained in the Grievance Redressal Mechanism reporting procedure. No human rights violations were recorded in the current reporting period.

Working hours and remuneration

ATL provides fair wages and compensation to all employees as per the legal and industry standards covering the basic needs of workers and their families to maintain a reasonable standard of living. The minimum wage paid by ATL is above the legally mandated minimum wage and nearer the living wage. The organisation adheres to its remuneration policy and amends it as and when required. ATL addresses concerns, if any, through dialogue and collective bargaining.

ATL practices the norm regarding industry standard working hours for all employees and contract workers as per regulations. To ensure a strict compliance with working hours, the organisation supports the use of ATL’s attendance system, which applies to all employee categories.

As ATL is categorised as an essential service, it received an exemption from Director of Industrial Health and Safety for overtime hours in one of the working quarters of Adani Electricity Mumbai Limited. The overtime hours will not exceed the limit set by regulators. In the event of any emergency necessitating an employee to work additional hours, the organisation ensures that it does not exceed the stipulated hours under the specified Act. The organisation remunerates employees as per the provision of Maharashtra Factories Rule 1963 if required to work additional hours.

Ensuring employee safety during the pandemic

The Company demonstrated a people-centric approach by extending support to employees and their families during the pandemic. The medical team under the leadership of the Head-HR created quarantine centres, coordinated with hospitals to admit infected employees and ensured vaccination for all employees and their family members.

A work-from-home model was implemented for most employees; if they were required to attend office, they were provided accommodation in the Company's guest houses. When COVID cases increased during the second pandemic wave and local and other travel modes were halted due to the lockdown, ATL arranged buses that provided pick-and-drop facilities to employees.

Special COVID-related death benefits were introduced. The minimum death benefit was ₹1 Crore, Mediclaim insurance for the spouse and children for 5 years and accidental death cover of a spouse for 5 years. It provided legal consultation services to assist the family related to procedures like the transfer of assets and professional employment services for family members of deceased employees. A health monitoring survey covered all COVID-recovered employees; employee consultations were arranged with empanelled doctors.

A unique 'Inspire' series by motivational speakers for employees and their family members was conducted during the pandemic. COVID Comrade was initiated, connecting every COVID-infected employee. The infected employee was frequently contacted by a 'comrade' (employee) who had recovered from COVID, enhancing empathy. The health status of the COVID patient was recorded by the 'comrade' and shared with doctors who contacted the patient based on the severity of the case.

To ensure employees remained engaged during the pandemic, the following employee engagement and wellness initiatives were conducted.

- Launched a reward and recognition program to recognise Power Warriors for their efforts in ensuring business continuity.
- Launched Adani Cares to provide employees and their families counselling
- The HR team connected with employees and their families through video calls to support them at a personal level.
- Created multiple touchpoints with employees to enhance motivation

Communication and interaction

ATL's open-door policy encouraged employees to make suggestions, express concerns or make recommendations. Structured channels facilitated the senior management's interaction with employees. Quarterly Town Hall meetings enabled the senior management to brief employees about the quarterly performance, priorities and updates while addressing employee queries. Through periodic HR Connect interventions, the Company discussed and addressed concerns and received suggestions for improvement from work groups. The MD and CEO communicated on the latest developments, enhancing perspectives through Town Halls and other communication channels. Each department conducted periodic meetings with team members.

Employee retention and growth model

Adani Transmission recognised the challenges of recruitment and integration, any lag in which usually affected productivity.

In view of this, the Company developed a sustainable employee life cycle through a smooth onboarding experience through the Sahyogi programme. It provided opportunities to strengthen careers with businesses and internal job postings.

Sahyogi Program: We structured onboarding program for new joiners. The program provided overview to all Business Unit of Adani group and also gave more understanding of each function of ATL. Even before the formal Orientation program for new joinee got scheduled, we associated a Sahyogi with new joiner. Sahyogi was an identified employee from the same team/function who responsibly did the initial handholding of new joinee and helps to quickly integrate within the organisation.

Role of Sahyogi

- Ensured new employee was introduced to all relevant people in the department.
- Ensured that new employee had access to required data, information, documents, drawings as well as all relevant mailing lists & important telephone numbers.
- The Sahyogi would give briefing about facilities in & around the office building. For example: internal courier service, canteen location & lunch time, etc.
- Was there to respond to any specific query of the new employee, with regards to general rules & regulations.
- Ensured that new employee gets his key result areas (KRA) by day 30th of Joining.
- Kept in constant touch with new employee till he completes first 30 days.
- Awareness on certification integrated management system and departmental procedure.
- This Sahyogi program helped us to provide superior employee experience to new joinee through accelerating organisational learning and developing a sense of pride & loyalty with us.

Rewards and recognitions

ATL's reward and recognition framework rewarded team members for exceptional contributions. Managers availed of the spot recognition facility to reward team members. Employees were recognised not only by managers but also through peers through 'Thank You' cards and 'Appreciation cards'. The long service rewards were presented to longstanding employees. The R & R ceremony felicitated extraordinary contributors. ATL's Employee Appreciation Week encouraged peers and managers to appreciate outperformers.

Diversity and inclusion

Diversity and inclusion ensure fair and equal opportunities. The Company's Diversity and Inclusion Committee drove diversity and inclusion indicatives across age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and other characteristics that make our employees unique. (Affirmative Action Community). During FY 21-22, it introduced physical and digital infrastructure changes to enhance workplace inclusion.

Outlook, FY 22-23

The Company intends to enhance employee potential through technology inclusion and proliferation. It is exploring new technological advancements to institutionalise them, enhancing profitability and productivity.

The business growth was supported by HR partnering at all stages: from the creation of infrastructure for a greenfield project to maintenance to operate with maximum efficiency.

How are we creating leaders

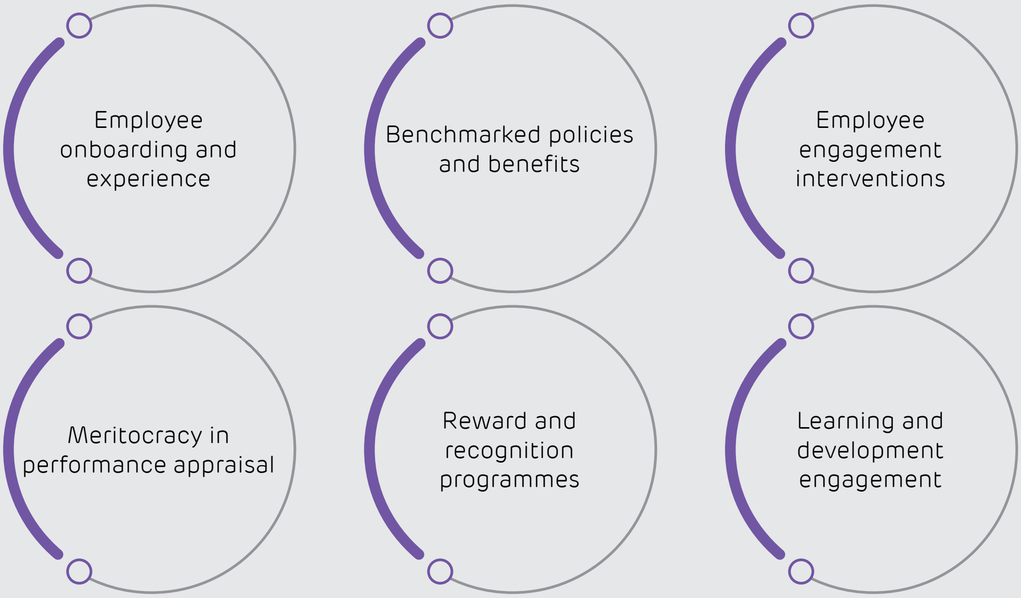
Talent assessment and development represented the core of our leadership development. Our structured organisation-wide capability-building process included inputs from external partners. Through this scientific assessment, we identified emerging strengths, development areas of employees at each level and planned capability building interventions.

The Individual Development Plan of the individual was guided by certified professionals and managers, defining areas that needed to be pursued through on-the-job, peer learning, project assignment and instructor-led training / online learning.

Our robust succession planning identified critical positions to be plugged and developed action plans for individuals to assume them. The succession planning process was reviewed monthly by all stakeholders. We viewed goals and ensured that it possessed the right people in the right place today and in the future.

We designed an IGNITE leadership development series to enable potential leaders to embrace leadership excellence and develop key leadership competencies.

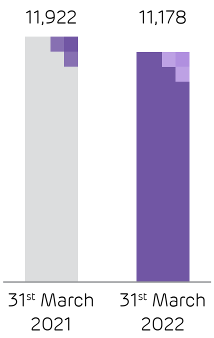
Employee retention and growth model



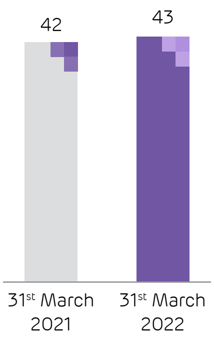
Adani Transmission won 'Greentech Transformative Human Resource Award 2021'

Adani Transmission won the prestigious Greentech Transformative HR Award 2021 for outstanding achievement in 'Employee Engagement'. The Company was chosen for its remarkable contribution to employee engagement, resulting in a 'Joyous place to Work'. The key initiatives, which defined our success in the award competition, comprised establishing a stronger connect with employees through structured platforms; it demonstrated a people-centric approach by extending support to employees & family during pandemic; its inclusive approach encouraged employee participation in organisational and business-driven initiatives.

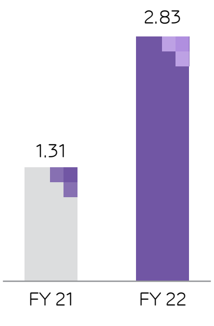
Total employees (Numbers)



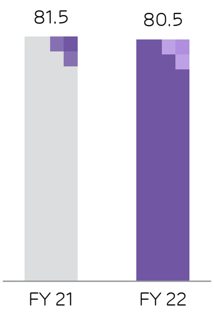
Average age of employees (Years)



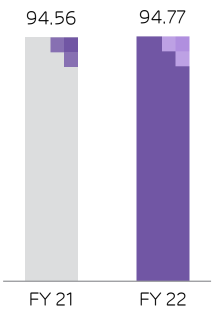
Total investment on training and development program (₹ Crore)



Company's employees covered by training programmes (%)



Retention rate (%)



Employee hiring profile

	FY 21-22		FY 20-21		FY 19-20	
Number of Recruits	Male	Female	Male	Female	Male	Female
<30 years	68	3	141	3	77	1
30-50 years	75	1	27	0	75	8
>50 years	2	0	8	0	5	0

Employee strength and age wise distribution

Workforce details (Numbers)		FY 21-22		FY 20-21		FY 19-20	
	Workforce (Employees + Contractual)	Male	Female	Male	Female	Male	Female
Total	<30 years	487	7	644	16	684	14
	30-50 years	6,685	292	7,392	365	8,076	367
	>50 years	3,533	174	3,349	156	3,101	138

4.23%
Female share of total workforce

8.89%
Female in all management positions

9.55%
Junior management

4.85%
Senior management

Average behavioral and technical training hours per employee

Particulars	FY 21-22			FY 20-21			FY 19-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior management	16.85	6.24	16.30	37.67	20.44	36.90	23.10	46.61	24.01
Middle management	12.54	6.40	11.90	24.22	23.96	24.19	18.48	16.00	18.22
Junior management	35.41	6.96	31.81	28.47	16.77	27.16	35.79	10.24	33.85
Supervisory management (Non executives)	13.04	8.69	12.70	26.59	16.52	25.70	18.41	12.74	18.06
Trainees	103.65	51.32	91.63	403.09	80.00	400.56	1084.44	728.00	1019.64
Contractual workers (FTA/ Consultant/ Advisory/ Services)	5.67	1.04	5.36	1.41	1.53	1.42	4.71	3.17	4.62
Average Behavioral and Technical Training Hours per employee	16.83	12.46	16.43	26.38	16.06	25.52	21.82	22.78	21.89

Our safety focus

ATL is an ISO 45001-certified company with a strong safety record supported by objectives towards achieving of 'No Fatality, No Injuries and No Excuses'. The primary safety risks arose from working at heights, high voltage substations and construction sites. The Company conducted in-depth reviews of each serious safety incident to explore reasons and avoidance. The Company mandated sub-contractors to fulfil safety requirements, developing technology options to monitor compliance. During the year under review, the Company recorded zero fatal incidents and four lost-time incidents, which were investigated for root causes. Based on the findings, actions were implemented.

The Company deepened its safety orientation through the following initiatives:

- Safe Connect (Monthly corporate conference call to share safety practices).
- Positive safety culture within the community (to share positive safety stories to foster a safety culture in and around our organisation).
- Safe Alert (Preparation and Circulation of HSE alerts on the observation analysis, incidents outside and across the organisation).
- Safe Eye (induction of new recruits).
- Safe Library (online content library).

Safety activities like the following were conducted:

- Daily morning meeting with the O&M team; weekly morning meeting with Project sites.
- Periodic safety audits of under-construction and operational sites.
- ATL's way of doing things with safety (photographic presentation of good practices with descriptions for sites during transmission phases).
- Safety committee meetings (discussion on safety aspects and initiatives at the site level).

All incidents were reported across ATL within eight hours of incidents. These incidents were reported in relevant type and category on the incident reporting portal (Gensuite). These incidents were reported, irrespective of whether they took place inside or outside the Company's premises.

Once reported, safety alert, comprising preliminary details, were drafted and released within 48 hours to business team members. An investigation team was formed comprising a team lead, subject matter experts and a root cause analysis expert.

Details of the location of the incident and equipment/ vehicle type, road worthiness and speed of vehicle interviews were conducted with witnesses. Details of pre-incident, during incident and post-incident were detailed to understand the scenario.

A why-why analysis was carried out on all incidents to comprehend root causes.

An Example of one of the Incident is as mentioned below.

Incident Summary: Technician (Rider) and security guard (Pillion Rider) went to nearby school to get the COVID Vaccination, while returning they were hit by the 4-wheeler coming in opposite direction in High speed. Both the security guard and Technician fell

on the ground. Technician was found to be safe, but Security guard got injured.

Related issues identified during the incident's investigation

- Wheel guard was not fixed to his personal bike.
- Routine service was found due as per the OEM's recommendation
- Two-wheeler safety commitment form was not signed by the pillion rider.

Actions taken following the incident

- Defensive driving training was provided to all colleagues by the third-party as a part of the National Road Safety Week.
- An application to track the presence of vehicles and provide the outcome of various vehicular statistics was brought into use.
- A warning letter and penalty was imposed on the contractor (security) for using a sub-quality crash helmet.
- A wheel guard was made mandatory on all the Company's vehicles used by contractors.
- Two-wheeler safety commitment form comprising do's and don'ts while using 2-wheelers was signed by the rider and pillion riders.

Employee involvement in health and safety improvements

Employees were involved in discussions with the management through the following platforms:

Mr. Tower: On a monthly basis, all colleagues were connected in a group talk through MS Teams. This two-way communication enabled employees to discuss focus areas, safety excellence initiatives and performance sharing. Top officials shared expectations and demonstrated commitment to engage in dialogues at each level. At ATL, 34 sessions were completed

Town Hall meetings: Various Town Hall meetings were conducted in coordination with the HR function and chaired by the MD

Daily Morning Meeting: Auto-generated Gensuite report of daily incidents (reported in the last 24 hours) were discussed in daily review meetings at the Head Office.

Time-specific, quantitative targets to reduce incidents

Safety Interaction (Suraksha Samwad): Structured and planned pro-active two-way safety conversation was conducted with people at their workplace to change their behaviour towards safety. This aimed to recognise and reinforce positive safety behaviour, identify and correct behaviour at risk, engage in conversations regarding safety concerns or issues. Some four Suraksha Samwads were conducted on each site/ month.

Safety Risk Field Audit: SRFA tracked the description, name of contractor, good citizens, violators, number of violations and severity of violations. Severity was measured across different scales. On a scale of 1 to 5,SRFAs were conducted weekly across sites.

Training Coverage Rate: For Training Coverage Rate(Training person hours x 100/Total person hours worked), the target was always >1 across sites.

Performance monitoring and target management

Performance monitoring is done through

a. MIS (Management Information System), prepared on monthly basis comprising of various parameters of both Leading and lagging Indicators

b. Comparison of Leading and lagging indicators on YTD basis

Management of health and safety against previously targets and industry benchmarks is ensured through

a. Safety Performance Indicator Scorecard(SPIS).

In SPIS all the companies across Adani group are ranked based on their performance on various parameters. ATL stood in top three position.

b. External benchmarking was also done when we made our presence by competing for Greentech safety excellence award.

Health and safety risks assessments

Risks in new operations or projects carried out were assessed using the following parameters:

- Preparation of Hazard Identification and Risk Assessment (HIRA)
- Vulnerability risks assessment
- Conducting job safety analysis prior to job commencement

Community safety

To reduce accidents due to electricity, a comprehensive safety behaviour was emphasised. The 'Safety Culture' concept was conceived by Mr. Anil Sardana, Managing Director & CEO of ATL. The concept is aimed at developing community safety programmes wherever the Company operates. Various programmes comprised the following:

- Road Safety Week 2022 celebration and awareness
- National Safety Week 2022 celebration and awareness
- 5S adoption to create a safety and cleanliness awareness for the younger generation

Achievements and initiatives

Adani Transmission Limited was awarded the prestigious Green Tech Safety Award 2021 for outstanding achievements in the 'Safety Excellence' category by Green Tech Foundation.

Positive #Safety Culture: In line with the Adani Group's organisational aim towards 'Zero Harm', and leadership's commitment toward fostering a 'Positive #Safety Culture' across the organisation, 12 positive safety cases were shared during the year under review.

During the year, ATL recorded zero fatal incidents.

During the year, ATL achieved 1,14,369 safety training manhours.

'Monthly Safety Quiz Series' (MSQS) was launched based on Group safety standards and it will be conducted every month going forward. It is an effort to raise awareness of Adani Group Safety Standards as well as setting benchmarks.

Safety Perception Survey: Employees were surveyed regarding Safety Communication, Safety Awareness, Safety Assurance, Safety Governance and Felt Leadership in a Safety Perception Survey where total participation was above 90% and outcomes converted into an ATL strategic action plan.

May Safe: Season 2: This drive was meant for all employees and business associates wherein various online training sessions were organised for four days, followed by an online quiz for participants.

Safety Excellence Proactive Approach: As a part of the defined activity of the Corporate Executive Council for Fire Prevention and Management, the team conducted a fire audit on a virtual basis of 29 major ATL substations (of 30).

Monitoring of vehicular safety through the digital solution: A mobile application was launched to Identify high-risk employees based on their driving patterns and counsel them.

Occupational health and Safety management

ATL implemented the ISO 45001-certified Safety Management System across projects and O&M functions a part of its Integrated Management System. Policies and procedures were adopted, which governed the organisation's health and safety practices, comprising Safety Code of Conduct, Corporate Sustainability Policy and Organisational Health and Safety Policy. The Board's CSR and Sustainability Committee oversaw the Occupational Health and Safety performance to monitor the effectiveness of the management system execution and provide data assurance.

OHS governance structure

ATL's governance structure proposed six task forces on specific and focused subjects of safety excellence with the objective to deploy a uniform safety standard across the group. Each task force comprised members responsible for smooth governance, taskforces and roles are as follows:

Safety Standard, Rules and Procedures

Roles: Review of existing and development of new Standard Operating Procedures (SOP), revised as and when required. Conduct of a gap analysis to ensure the effective implementation of safety standards across sites.

Function	Newly prepared SOP	Modified SOP	Total SOP
Substation	18	104	122
Line	03	45	48
Project	03	11	14
Cross functional	1	12	13
Total	**25**	**172**	**197**

Contractor Safety Management

Roles: To develop a Contractor Safety Management process and standard; to review and monitor monthly performance of Contractor Safety Management process for all sites based on KPI's and identify improvement opportunities; to create an awareness about the CSM process through various communication modes.

Safety Risk Field Audit (SRFA): Some 1,957 Safety Risk Field Audits were conducted to evaluate business partner performance and suggest remedial action. Nine Contractor Safety Management Meetings were organised to review, monitor key performance indices (KPIs) and explore implementation.

Vulnerable safety risk (VSR) analysis: Adani Group wide risk analysis identified vulnerable risks / unsafe conditions with the potential of 4/5 severe incidents. Some 72 vulnerable risks were identified by the ATL O&M and project sites.

Training and Capability Building

Roles: Review of existing safety training practices, roll-out and training as per Adani Group safety standards / procedures across the business unit, including training contractor employees in the Transmission business unit. ATL ensured the identification of resources, development of internal trainers and implementation of Train-the-Trainers programme by Group and BU Safety Teams. ATL worked with Security, Site Safety, APTRI and HR teams for the integration of safety training data on Kronos for various purposes and perspective. During the reporting period, ATL conducted 1, 14,369 person-hours of training.

Logistics safety

Roles: Capture all driving and transport-related incidents on Adani Gensuite and quality investigation to incorporate learning to prevent reoccurrences. Adequate defensive driving safety training was completed.

Technology taskforce

Roles: Discussed and implemented technology-based solutions in eliminating hazards at workplace. Organised / conducted demonstrations across sites to understand the suitability of solutions. Explored new technology-based solutions in the power transmission sector.

Safety interaction, incident reporting and investigation

Roles: Reviewed and monitored monthly performance of the safety Interaction process for all sites based on KPIs; identified opportunities for improvement. Organised / conducted audits across sites to gauge the effectiveness of incident investigations. Communicated learnings from incidents across sites. During the reporting period, ATL conducted more than 8,260 safety interactions.

OHS training FY 21-22

4,944
Total safety training programmes

24,558
Total employees trained

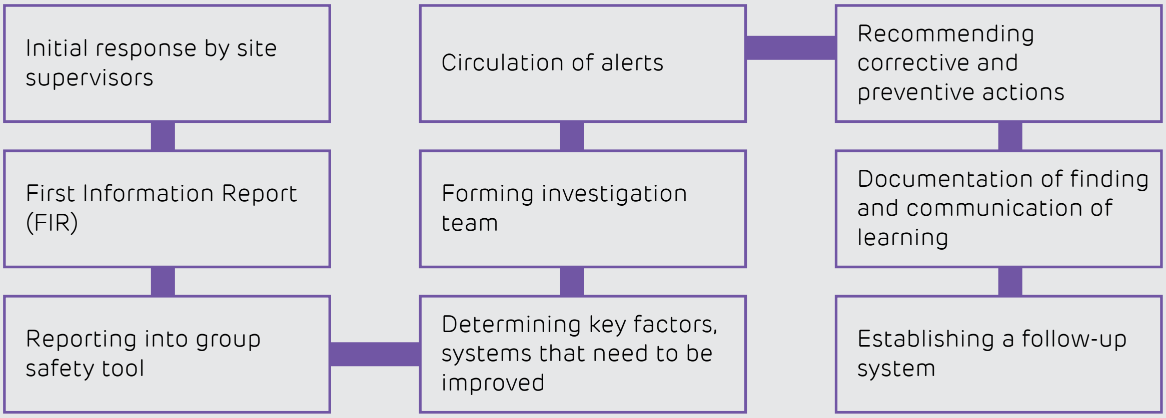
100%
Percentage of sites with ISO 45001

50,463
Employees and contract workers covered by management system (on and off rolls)

Incident reporting and investigation

ATL's Adani Safety Standard for Incident Reporting and Investigation examined safety incidents and drew from incidents to prevent recurrence. The Safety Incident Reporting, Classification and Investigation Standard set the mandatory minimum safety requirements and were upheld as Life Saving Safety Rules. The incident investigation process contributed to the continuous improvement of safety systems and performance through the following: Identifying and implementing actions to prevent incident recurrence; promoting an atmosphere of openness by improving communications and understanding about the incident; providing inputs to the development and improvement of Safety policies, procedures, guidelines, and standards; identifying and appreciating good actions taken by people, which contributed to reducing the consequence. Under the safety standard, incidents were classified into five categories based on the degree of severity/ potential for injury/damage. Each category defined incident reporting and investigation procedure. All incidents reported were categorised and detailed investigations were carried out by an experienced cross-functional team. The Operational Health and Safety (OHS) committee of each site provided training to site supervisors and relevant employees on incident response and reporting as per the safety standard.

General incident reporting and investigation flow



During the current reporting period, ATL recorded zero fatality and 31 lost-time incidents. All reported incidents were investigated as per the procedure outlined by the Incident Reporting and Investigation Safety Standard of the group and the immediate cause and root cause were identified and studied. Based on the incident investigation findings various corrective and preventive actions were implemented. As a part of learning from previous incidents across the group, ATL implemented various safety initiatives as follows:

1. As a proactive measure and to mitigate the risk we procured and used snake gaiters and snake catchers at all sites.
2. ATL launched FM radio campaign including demo on advantages of ELCB (need expansion) and prevention of accidents, fire and fatalities across ATL and compulsorily installed ELCB at all operational sites.
3. Old generation hydra equipment was banned for use
4. Use of 360-degree swivel coupling between tractor and trolley
5. Use of the FRP (Fiber Reinforced Plastic) ladder across all sub-stations.

For OHS risk assessment, ATL employs a HIRA (Hazard Identification and Risk Assessment) - based risk assessment methodology, JSA – Job safety analysis and a safety checklist to assess safety parameters of its operations. The organisation conducted regular risk assessment audits across operational and construction sites. The HIRA-based risk assessment methodology, JSA and checklist were employed as part of the OHS due diligence for acquiring assets.

Strategic Action Plan (STRAP)

The ATL strategic action plan was developed based largely on inputs from the ATL Safety perception survey, which were being incorporated into the strategic actions as well as continuously monitored.

Strategy Performance

Direction Setting

- Establish Safety Improvement Plans for sites including new projects.
- Strength Governance at ATL Business & Sites through coaching & mentoring process.

Safety Scorecard

- Monitor Business Safety Scorecard (including KPIs of Safety Taskforces at Business Level)
- Measure & Monitor Visible Felt Leadership for senior leaders
- Conduct audit for measuring Scorecard performance

Organisation Culture

Zero Tolerance

- Ensure Zero Tolerance to LSSR Violations/Implemented Standards, Rules & Procedures/Incident Experience

Leadership Commitment

- Coaching & Mentoring on Felt Leadership for Senior Executives
- Personal Safety Action Plans for Top Leaders

Capability Building & Engagement

- Performance Coaching for Site Leaders on Adani Work streams
- Develop Certified competent resources for High-Risk activities: Scaffolding: Design, Erection

Energise OH&S Network

- Disseminate e-learnings modules and incident videos

Systems & Process

Safety System

- Implement PSSR, Excavation, etc. Standards
- Implement Construction Safety Manual (Projects)

Safety Process

- Strengthen Logistic Safety & Road Safety
- Drive safety assurance at sites-2nd party (Intra Site Wise)

Safety Competence

- Develop Safety Competencies Framework (Line & Safety Function)

Technological Interventions

- Roll out Field Force Driving Safety System
- Streamline MIS data compilation system

Equipment & Facilities

Reduce incident Severity

Effectively, Implement Safety disciplines, CVF's for deployment of safe equipment and facilities

- Working at heights
- Electrical Safety
- Material Handling
- RVDTS
- LOTO
- Machine Guarding
- Confined space

Standardise Safety Equipment

- Identify safety critical equipment's and standardise

Safety culture

To institute a mature safety culture, ATL endeavoured to maximise employee involvement that encouraged them to voice concerns, report safety gaps and seek improvement. In line with this, the OHS committees of ATL's operations practiced a bottom-approach with equal employee representation. Each OHS committee constituted a labour union representative, site safety representative, site health team representative and management representative. The OHS meetings were conducted monthly. Contractor participation was ensured at site-level contractor safety committee meetings. As stated, earlier ATL established a Contractor Safety Management Task Force for the improvement of contractor safety and work culture. All ATL employees were trained in Occupational Health and Safety at the time of induction and on a regular basis. Employees were trained to identify the near-miss, unsafe conditions, unsafe acts and report workplace injuries.

ATL ensured workforce participation in the Health and Safety-related topic discussions through activities such as Safe Connect (Monthly conference call on safety), Safe Eye (Monthly safety observation quiz) and mock drills.

Safety targets and performance

ATL adopted a group-wide year-on-year safety target to achieve zero incidents in operations. Against this target, ATL witnessed zero fatality incidents and 31 lost-time incidents. ATL recorded a Lost Time Injury Frequency Rate (LTIFR) of 0.86 per Mn hours worked during the year.

Parameter	UOM	FY 21-22
LTIFR	Numbers/Mn person hours	0.86
Lost days rate for reportable injuries	Numbers/Mn person hours	134.55
Rate of recordable work-related injury for employees – on ATL rolls	Numbers/Mn person hours	2.05
Rate of recordable work-related injuries - non on ATL rolls	Numbers/Mn person hours	1.16
Rate of high consequence work-related injuries for employees - on ATL rolls	Numbers/Mn person hours	0
Rate of high consequence work related injuries	Numbers/Mn person hours Numbers/Mn person hours	0
Rate of fatalities due to injuries	Numbers/Mn person hours Numbers/Mn person hours	0
Rate of fatalities due to injuries	Numbers/Mn person hours	0
Rate of recordable work-related illness for employees – on ATL rolls	Numbers/Mn person hours	0
Rate of recordable work-related illness	Numbers/Mn person hours	0
Rate of high consequence work-related illness for employees on ATL rolls	Numbers/Mn person hours	0
Rate of high consequence work- related Illness	Numbers/Mn person hours	0
Rate of fatalities due to occupational illness	Numbers/Mn person hours	0
Rate of fatalities occupational Illness	Numbers/Mn person hours	0
Lost time incidents (as per The Factories Act in India)	Numbers	31
Lost days for reportable injuries	Numbers	4,851
Recordable work-related injury (Employees on ATL rolls)	Numbers	74
Recordable work-related injury (Contractors not on ATL rolls)	Numbers	42
High consequence work related injury (Employees on ATL rolls)	Numbers	0
High consequence work-related injury (Contractors not on ATL roll)	Numbers	0
Fatalities due to injury (employees on ATL rolls)	Numbers	0
Fatalities due to injury (contractors not on ATL rolls)	Numbers	0
Recordable work-related illness (Employees on ATL rolls)	Numbers	0
Recordable work-related illness (contractors not on ATL rolls)	Numbers	0
High consequence work-related Illness (employees on ATL rolls)	Numbers	0
High consequence work-related Illness(contractors not on ATL rolls)	Numbers	0
Fatalities due to occupational illness (employees on ATL rolls)	Numbers	0
Fatalities due to occupational illness (contractors not on ATL rolls)	Numbers	0

Our vendor management platform

The success of our business operations in driving efficiency was based on a reliable and sustainable supply chain. Vendors play a significant role as partners in delivering quality projects in a cost-effective and time bound manner.

Overview

As an organisation committed to sustainability, social and environmental performance of our vendors was as critical to us as the best quality of service. A structured and uniform supply chain management process helped us to manage the Environmental, Social, and Governance (ESG) performance of our suppliers. Our newly implemented on boarding vendor process incorporated pre-qualification criteria, including credentials and capability to execute assignments, adherence to safety and environmental norms and, compliance to statutory requirements. Once the vendor was successfully onboarded, we audited the vendors on a rotational basis, which ensured no pre-emptive risks surface. Quarterly score cards were maintained, which included various parameters such as delivery, performance, quality, safety, environmental, management systems, past supply record, customer feedback, etc. All suppliers, contractors and business partners involved in ATL's supply chain were expected to share the same values and standards as the organisation with respect to Governance, Social and Environmental performance.

The Company was committed to extending these sustainability criteria throughout its extensive value chain while continuously working together with its supply chain partners to tackle risks and improve its responsible procurement practices. ATL had an established Responsible Supply Chain Management policy that effectively governed the organisation's supply chain management practices and its integration with environment, social and governance aspects.

Supplier Code of Conduct

ATL was committed to conduct its business with high standards of compliance and ethics. ATL endeavoured to engage with suppliers who conducted themselves in a lawful and ethical manner, protecting human and labour rights, health and safety, information security and the environment. To achieve this, ATL established a Supplier Code of Conduct that communicated the Company's expectations, corporate values and culture to suppliers and serves as a guideline in evaluating prospective partners. The Supplier Code of Conduct embraced environmental, social and governance standards of operation. The Code's social compliance criteria covered all essential components as per global standards such as prevention of child labour and forced labour, human rights, employee rights to fair wage and working hours, occupational health and safety, freedom of association, anti-discrimination, community inclusive development and minimising social impact of business operations. The environmental provisions of the code addressed components such as compliance with all applicable environmental laws, resource efficiency, and climate change action, biodiversity enhancement and prevention of pollution. Similarly, the code also laid down governance related provisions such as compliance with all applicable all regulations, anti-corruption and bribery and business ethics. Therefore, effective ESG integration was achieved in ATL's supply chain management. All existing suppliers were governed by the supplier code of conduct and all potential suppliers were required to comply with provisions.

Supplier screening and evaluation criteria

To evaluate new suppliers, ATL established a Supplier Screening and Risk Assessment framework as an integral part of the vendor onboarding process. Within this framework, the Company developed a comprehensive Supplier Risk Assessment Score Card which incorporated significant screening/prequalification criteria, including ESG aspects, credentials, capability to execute assignments, quality norms and compliance with statutory requirements. The Scorecard was utilised to evaluate the mechanisms and performance of all suppliers under consideration against the following listed ESG and parameters

Environmental criteria

- Environment Management certification
- Energy Management certification
- Energy and GHG emissions
- Water conservation
- Land conservation
- Pollution
- Green packaging
- Management and disposal of hazardous substances
- Environmental compliance

Social criteria

- Human Rights Policy
- Health and safety
- Prevention of Sexual Harassment [PoSH]
- Child Labour Policy
- Social Accountability certification
- Medical fitness
- Compensation Policy
- Compliance to laws governing child labour, minimum wage etc.
- Labour Policy
- CSR

Governance criteria

- Board Diversity Policy
- Code of Conduct
- Whistle blower Policy
- Anti-Corruption and Bribery Policy
- Information Security certification
- ESG reporting
- License to operate
- Socioeconomic compliance

Supplier Screening and Risk Assessment framework

Once the supplier was successfully onboarded, suppliers of ATL were audited using the Supplier Risk Assessment Score Card on a rotational basis. This continuous supply chain risk management approach enabled proactive decision and mitigation measures.

Assessment Criteria

Suppliers

- Manufacturing capability
- Quality
- Environmental compliance
- Labour & Human Rights
- Occupational Health & Safety

Contractors

- Construction capability
- Safety Procedure and Accident Score Card
- Environmental compliance
- Labour & Human Rights
- Occupational Health & Safety

Our key vendors are mainly divided into three categories:

- Supplier for supply of key materials for projects and O&M
- Contractors for civil construction works
- Contractors for transmission line and substation on turnkey basis

FY 21-22	Existing Suppliers	New Suppliers
Suppliers screened on ESG parameters	3,581	9
Suppliers audited on ESG parameters	3,581	9

We understood that some of our vendors were low scale and investments required to ensure compliance to environmental and social norms may be a concern. Therefore, we invested and handheld our vendors to abide by requirements. To build a sustainable business relationship with vendors, we provided feedback for improvement. In the present context of global economy and local business, we understood the importance of standardisation and digitisation. We adopted DISHA and AGILE (Achieving Global Industry Leadership through Excellence) business transformation processes to develop a common vendor base across the Adani Group companies. This enabled us to manage performance and engagement levels of all vendors across the group companies.

Identification of Critical Suppliers and Risk Assessment

In addition to the supplier audit on a rotational basis, ATL established a process to identify critical suppliers and assess risks and weaknesses against the listed ESG parameters. The critical supplier identification methodology was based in identifying ATL's dependence on and value generated by a particular supplier - high-volume suppliers, critical component suppliers and non-substitutable suppliers.

Supplier	Number of suppliers	Share of total procurement spent (%)
Total Tier-1 suppliers	3,581	100
Critical Tier-1 suppliers	77	~46

At ATL, the comprehensive supplier risk assessment score card was used to assess the critical supplier's performance to assess inherent ESG risks and weaknesses in the Company's value chain. A supplier who attracted a score below 60% in the individual ESG risk category and an overall score below 70% in the vendor risk assessment score card was defined as High-Risk Supplier. No ATL supplier had been categorised as High Risk. The ESG risks and weaknesses identified in the supplier's performance as a result of the risk assessment and the corresponding corrective action required to mitigate them would be communicated to suppliers. Low scale vendors with investment requirements to ensure compliance and effective performance against environmental and social standards were supported by ATL through investments and structured collaborations to build capacity

Supplier screening and evaluation

ATL's Supplier Screening and Risk Assessment framework comprised a Supplier Risk Score Card utilised to evaluate processes and performance of all suppliers under consideration against ESG parameters. All ATL's suppliers were screened using this scorecard. The following were the social criteria evaluated for all suppliers as a part of the risk assessment score card: Human Rights Policy, POSH, Child Labour Policy, Social Accountability Certification, Medical fitness, Compensation Policy, Compliance to laws governing child labour, minimum wage, etc., Labour Policy and Community Relations. To ensure compliance with the supplier code of conduct, random annual supplier audits were conducted by an ATL expert as a part of SA8000 certification. This was practiced at the Dahanu Thermal Power Station of ATL and would be adopted by all the Company's entities as a part of the certification pursuance.

Vendor Engagement

ATL has a robust process of engaging vendors. Formal stakeholder consultations were conducted with all strategic vendors to support our Annual Materiality Assessment Process. Representatives were enlightened on key expectations of ATL, Contractor Safety Management (CSM), New digital platform for P2P cycle – ARIBA, technology partnership systems & process automation, innovation, ethics, ESG and Vendor Relationship Management (VRM). Basis the analysis of business volume of vendors with ATL, we have given free access to CDP platform and an opportunity to become the member of Green Supplier Club of ATL.

Procurement Practices

ATL adopted integration practices to optimise the cost of raw materials, especially tower parts and aluminum conductor and control quality and delivery. ATL adopted SAP ARIBA for complete the peer-to-peer (P2P) process, keeping the procurement's core theme intact. ARIBA shall provide a robust integration to P2P processes with a smart utilisation of application programming interface (API) and robotic process automation (RPA). ARIBA covers 'end-to-end' process of vendor registration, on-boarding, pre-qualification, performance evaluation, extensions and updates with MDG (Master Data Governance) integration.

Procurement expenses (FY 21-22)

Expense head*	₹ Crore
Domestic procurement	3989.3
Amount on import	22.019

*Procurement expenses includes Project and O&M activities.

Cyber risk management and data privacy

In the modern world, most of the business processes are now reliant almost totally on computers, computer networks and systems with the information storage. Proper functioning of business processes requires confidentiality, availability, and integrity of this information, in the respect that it is not stolen, corrupted by a malware, altered or accessed inappropriately nor in any way illegally used by others for fraudulent or destructive means.

According to the World Economic Forum global risk report, growing cyber threats are now among the greatest global risks. This report characterises cyber security as a “blind spot” for companies and governments. Cyber-attacks are becoming more aggressive and widespread and Cyber security breaches now cost companies more than ever.

While the attacks on the IT infrastructure are becoming increasingly complex, the impact on the attacks on the OT (Operations Technology) side has also gained increased attention. In case of the Power sector, while the installation of ICT devices has enabled better automation and control in the smart power system equipment, it also made the system vulnerable to cyber threats. Recurring incidences of cyber security threats in India and other countries have enhanced the importance of a robust cyber security system in the sector which is of critical importance for the Nation. Accordingly, the government and regulatory agencies have also introduced several compliance requirements for power sector entities.

ATL's business processes and day-to-day functions are automated and interconnected through Information Technology. The core business operations also rely on ICT technology for efficient and reliable operation. In view of this, it is essential for the organisation to have a capable security system that protects it from cyber risks.

To Address this risk, ATL maintains a formal cybersecurity program structured around the international standards including ISO-27001. The organisation continuously strives to meet or exceed the industry's cyber security best practices. The organisation's cybersecurity strategy prioritises detection, analysis, and response to known, anticipated or unexpected cyber threats, effective management of cyber risks, and resilience against cyber incidents.

ATL has established a strong cyber security governance with direct Board oversight to the cyber security and resilience of the network to prevent any breaches. The Info tech and data security committee of the Board is the highest governing body responsible for the review of the cyber security function. ATL has created a dedicated cyber security team to handle the cyber security governance.

ATL has formal Cyber security policy to ensure that all information and Cyber assets including data, intellectual property, computer systems, IT and OT equipment are adequately and consistently protected from damage, inappropriate alteration, loss and unauthorised use or access.

The Information Security/ Cyber security risk identification, prioritisation and management is effectively integrated within the organisation Risk Management Framework. In addition, ATL has implemented Information Security Management System (ISMS) which is certified for ISO-27001 standard. Adani electricity Mumbai Limited (AEML), a subsidiary of ATL, also has already established ISO 27001 certified ISMS within its operating boundary.

ATL strives to improve cyber security in all the three dimensions – People, process, and Technology. To this effect, Multiple Institutional arrangements and implementation mechanisms have been put in place to minimise chances of any cyber security incident.

Several actions have been taken at the organisation level to ensure the cyber security of systems and processes include implementation of Extensive technical controls across the IT and OT infrastructure. These include, - Network firewalls, Antivirus, DLP, Endpoint encryption, Active directory, multi-factor authentication, Web proxy, VPN etc.

To spread Security awareness among employees, E-learning modules have been developed and made part of onboarding process. The organisation performs detailed analysis of CIA (Confidentiality/ Integrity/ Availability) rating for all enterprise level applications. To continuously assess and monitor the resilience of the Information Technology infrastructure and to proactively identify any potential cyber risks, periodic vulnerability analysis is performed for IT infrastructure as well as its associated applications.

The organisation has implemented continuous control monitoring to assess the adoption and performance of security controls. A dedicated Cyber Defense center has been established for performing continuous monitoring of the cyber security posture to detect and respond to any security incident.

In the reporting period, ATL suffered no impact on its' business from any cyber incidents or security breaches.

Customer data protection

ATL understands that customers are the true owners of their data and without their consent; no data can be collected, processed or used by any corporate entity. To ensure customer data protection, ATL transparently educates customers on how it uses their data, such as the nature and the purpose of customer information captured as well as how the information is protected. In the reporting period, the Company reported no customer privacy breaches

Customer satisfaction

Continuous customer feedback and engagement is essential for ATL’s business to understand changing customer expectations and enhance service excellence accordingly. For this purpose, ATL conducts a customer satisfaction survey periodically to monitor whether the service meets expectations and identify gaps.

Customer satisfaction	FY 21-22	FY 20-21	FY 19-20	FY 18-19
Percentage of customers surveyed	0.13	0.03	0.03	0.006
Percentage of satisfied customers	71.95%	58.75%	83.75%	71%

Customer Grievance Redressal Mechanism

The Company’s customer orientation is reflected in its proactive approach to complaint’s redressal.

Mechanism to address customer queries

To ensure that consumer grievances are resolved with speed, we follow a robust Consumer Redressal Process Flow

Customer satisfaction	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	Complaint not addressed to AEML directly. Complaints addressed to local Govt authorities and AEML was respondent to the complaints
Advertising	0	0	
Cyber-security	16	0	
Delivery of essential services	5,50,623	0	No supply complaints received from consumers
Restrictive Trade Practices	0	0	General Service-related complaints received from consumers.
Unfair Trade Practices	0	0	
Other	69,582	0	

AEML customer service touch points

AEML offers touch points where consumer can interact for any information or complaint:

- Mobile App: Adani Electricity Mobile App
- WhatsApp: 9594519122 and say ‘Hi’
- Genius Pay Self Help Kiosks Virtual Customer Care Centres (interaction through video call facility) § Call us 24 x 7 Toll Free Call Centre (help line) number: 19122
- Email: consumercare@aeml.com
- Elektra - Digital Assistant on Website, Facebook Messenger and WhatsApp
- Missed Call: 1800532 9998
- Website: www.adanielectricity.com
- SMS service: Send Power to 7065313030 AEML also responds to the voice of the customer on social media platforms and stays connected with consumers through its official social media handles:
- On Twitter @adani_elec_ MUM
- On Facebook @ AdaniElectricityMumbai
- On LinkedIN as /adanielectricity
- On Instagram @ adanielectricitymumbai
- On You Tube / AdaniElectricity MumbaiLimited Consumers can register their complaints and track redressal in a structured manner. Complaints registered from any touch point can be tracked uniformly on the website, mobile app or other touch points.

First level of response

- AEML endeavours to resolve complaints in the first interaction itself to the customer satisfaction. AEML has trained executives who understand consumer issues and respond with preliminary information.
- In case customer is not happy with the first resolution, it is assigned to the respective process the team to respond with elaborate data.
- In case the consumer is not happy with resolution from the process team, the complaint is put to an Internal complaint redressal system (ICRS). All escalations are assigned to divisional heads of AEML.
- All complaints will be automatically escalated to the next level in case they are not responded within the defined timelines against each level of escalation.

Internal complaint redressal system (ICRS)

- A Customer can approach ICRS through a web-based module where the consumer can raise the complaint with the documents and track the complaint
- Consumers can visit www.adanielectricity.com and click on the register your complaint with us tab available on the homepage. This option is also available under my account for consumers once they login to their accounts.
- Once the consumer registers a complaint, a complaint number will be generated and will also be sent to the consumer's registered mobile number
- AEML has derived a multilevel escalation metrics for its consumers so in case a consumer has raised a complaint and he is not happy with the resolution of the complaint the consumers still have the option to escalate it to the next level, division head and subsequently CGRF
- Call complaints will automatically get escalated to the next level in case they are not responded to within the defined timelines against each each level of escalation

Consumer Grievance Redressal Forum (CGRF)

- Along with specifying mandate for defining norms and standards for performance and monitoring of the same, the Electricity Act 2003 (Sec 42) lays down a grievance redressal structure.
- If a consumer is not satisfied with the remedy provided by ICRS Cell to his grievance or where no remedy has been provided within such a period, a consumer may submit the grievance to the Forum.
- The web-enabled CGRF module works as a consumer-friendly complaint registration and tracking system. A consumer can register a grievance and can track redressal.
- A grievance may be submitted by a consumer in an appropriate format with a undertaking forms signed and documents supporting the grievance.
- The required formats with undertaking are available on the web portal in easy-to-fill / download / upload formats.
- A consumer can login a grievance on the web-portal by duly filled necessary information and prescribed format with undertaking. Grievances submitted through the portal will have an auto generated tracking number and the consumer may track the complaint status through a tracking number.
- Grievance submitted will get scrutinised/required suggestions intimated to the consumer by resubmission of the grievance, if any.
- Grievances received with required and complete information will be registered in CGRF and a CASE number will get generated.
- As per timelines, a nodal reply will be submitted by the Nodal Officer on the portal and the consumer, can file a rejoinder.
- A hearing is scheduled. CGRF (certified) minutes copy / order copy is uploaded on the portal and sent to the consumer vide e-mail or hard copy. The grievance process gets a closure.
- Required intimations in process are sent to consumers through any electronic mode as preferred by the consumer.
- As per Clause #10 of MERC (CGRF & EO) Regulations, 2020 Forum Order can be reviewed.
- Copy of MERC (CGRF & EO) Regulations, 2020 has been uploaded on CGRF portal in English and Marathi.
- Forum contact details: Consumer Grievance Redressal Forum Adani Electricity Mumbai Limited Devidas Lane, Off. S.V.P. Road, Near Devidas Telephone Exchange, Borivali (West), Mumbai 400103. Tel No.: 022- 50745004 CGRF Office Time: 10.30 a.m. to 4.30 p.m. E-mail: Consumerforum.mumbaielectricity@adani.com CGRF Website: cgrf.adanielectricity.com (For Details) AEML website: adanielectricity.com (Also for complaint login thro' ICRS & CGRF)

Electricity ombudsman

In case the customer's grievance was not redressed to satisfaction by the first two forums, a customer might make a representation for redressal to the Electricity Ombudsman appointed by the MERC within 2 months from the date of the order of the Forum. The address of the ombudsman was as follows: 606, Keshva Building, 6th Floor, Bandra Kurla Complex, (BKC), Bandra (East), Mumbai 400 051, Maharashtra. Email ID: electricity ombudsman mumbai@gmail.com We made available details of the Electricity Ombudsman on our website as well. External assurance was conducted for data across material ESG indicators as per the policy of ATL with the objective to include in the Integrated Annual Report and website.

Consumer data protection methods / process and governance at AEML

Adani Electricity Mumbai Ltd serves over three Mn consumers spread across 400 sq. kms in Mumbai and its suburbs with 99.99% reliability through state-of-the-art solutions deployed for its internal and external customers. AEML has set industry benchmark for its peers on various parameters like customer satisfaction and customer data privacy by adopting global practices.

The customer data is stored and exchanged through following applications

- Customer data is stored in SAP-ISU and CRM applications.
- Customer Data from SAP-ISU is exchanged through various services to website, Mobile Application, Payment aggregators, Chatbot services.

AEML has implemented various global standards like ISO 27001, ISO 22301, ISO 20000-1 to ensure that all the policies and procedures are aligned to achieve Confidentiality, Integrity and Availability (CIA) of data as per information security practices, business continuity for its customers and higher customer satisfaction.

AEML has implemented various processes to streamline its Data centre operations, services to internal& external customers, as per global standard practices which are regularly assessed by AEML's internal governance team and certified by third party vendors.

Data Centre process

- All the SAP-ISU and CRM servers are in Militarised Zone (MZ) behind the firewall
- All the devices in server farm are hardened as per global CIS benchmark for their operating systems.
- The servers are protected through State-of-the-art Endpoint Detection and Response (EDR) solution and Web proxy.
- Periodic security assessment of server farm devices is carried out through CERT-In empaneled vendor which includes Vulnerability Assessment, Penetration testing and configuration review
- Privilege Identity Management (PIM)/Privilege Application Management (PAM) is implemented for monitoring and recording of server administrative access.
- The data stored on Storage Access Network (SAN) is stored encrypted format.
- All the critical servers are deployed in High Availability mode to ensure redundancy.
- Regular data backup is carried out of critical systems and tested at regular intervals.
- Regular Cyber Threat alerts are received from CERT-In. Additionally, AEML has subscribed to Cyber Threat Intelligence (CTI) services from CERT-In empaneled vendor. All alerts are closed in a defined timeline by AEML.
- Annual DC-DR drill is conducted to ensure business continuity.
- Annual Cyber Security mock drill is conducted to assess Incident Response mechanism.

Mobile and Web application process-External customers

- AEML has implemented Web Application Firewall to protect against sophisticated DDoS and web application attacks.
- All AEML public IP's are black box daily scanned for any vulnerabilities and are patched as per their criticality.
- All the customer data exchanged externally for mobile/web application is encrypted using HTTPs (SSL certificates) protocol
- AEML has deployed SIEM solution monitored 24x7 by internal security operations centre (SOC) team which has streamlined visibility across the organisation's environment; investigate log data for incident response to cyber-attacks and customer data breaches.
- Periodic mobile and web application security assessment carried out through CERT-In empaneled vendor.
- Website and associate services are protected through strong password policy
- All the customer privacy data is masked when shared publicly.
- AEML has Role Based Authorisation Control (RBAC) assigned to users in SAP, CRM. RBAC improves overall security as it relates to compliance, confidentiality, privacy, and access management to resources and other sensitive data and systems. The RBAC are reviewed periodically and assigned to user based on the role changes.

Email applications and Endpoints – Internal customers

- All the endpoints are protected through State-of-the art Endpoint Detection and Response (EDR) solution
- Web proxy solution is deployed to apply all the Corporate IT policies on endpoints while the employees are working from home.
- Data Loss Prevention (DLP) and Digital Rights Management (DRM) solution is deployed to prevent any leakage of critical customer data.

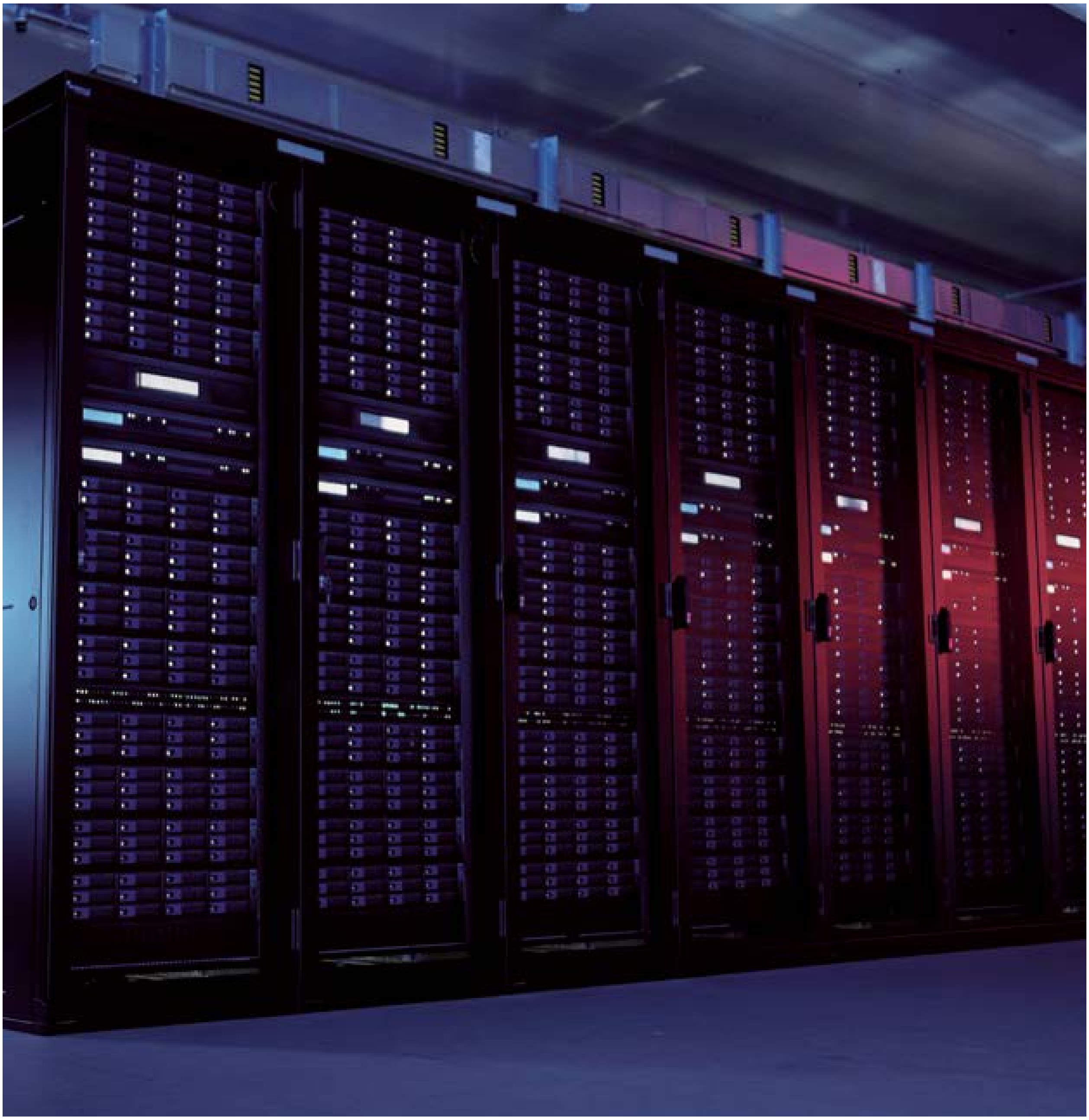
- All endpoint drives are encrypted (Bitlocker) to protect them from unauthorised access and requires multi factor authentication to access them
- The endpoints are deployed with multi-factor authentication
- The authorised employees are provided with VPN connections with MFA enabled to access the corporate IT applications while working from home
- AEML has deployed security patch management solution to ensure that the endpoints are patched with latest security patches even while the employees are working from home.

Process

- AEML is certified for global process standards like ISO 27001, ISO 22000-1 and ISO 22301.

Governance

- All the vendors handling the Customer Database need to sign Non-Disclosure Agreement (NDA)
- AEML regularly performs Cyber Program Management (CPM) activity through its CERT-In empaneled vendor EY to assess, benchmark and align its processes with global industry standards.



CORPORATE SOCIAL RESPONSIBILITY

ATL efforts towards inclusive growth and equitable development

ATL understands the responsibility it holds in the development of the communities in the regions where it operates and in contributing to improving people's quality of life.

ATL, in alignment with the Sustainable Development Goals (SDGs), engages with local communities and associations to implement targeted community development programs that focus on good health, quality education, sustainable livelihoods and community infrastructure. In this endeavour, ATL is working in collaboration with the Adani Foundation, the Corporate Social Responsibility arm of the Adani Group, leveraging its strength and experience in the area.

ATL has conducted an extensive social strategy exercise to chart the future course of its social initiatives. As an outcome of this effort, the organisation has initiated significant focused efforts in three additional areas, where ATL is committed to having a deep impact.

CSR Performance

Contribution to Communities	FY 21-22	FY 20-21	FY 19-20	FY 18-19	FY 17-18
Community Social Investment (in Crores)	23.14	25.26	18.14	17.91	8.23
Direct particulate matter emissions	100%	100%	100%	100%	100%

Safety + Swachhagraha (S+5S)

The Adani Foundation strives to create a culture of safe work practices along with cleanliness by developing a comprehensive safe work management system. This resulted in the inception of "S+5S" which emphasises Safety Culture promotion programs to engage people and bring about a similar change in terms of creating a culture of cleanliness, orderliness and safety right from childhood.

Swachhata ka Satyagraha, a Behavioral Change Education Programme, is an initiative of the Adani Foundation. Swachhagraha draws inspiration from Satyagraha led by Mahatma Gandhi during the freedom struggle movement, which catalysed action through tremendous patience and perseverance, instilling in the Indian mind, dignity and self-respect. It aims at engaging people and bringing about a change, similar in scale to India's freedom movement, where people get involved to act for 'Creating a culture of Cleanliness'.

Recognising the need to address safety especially with children, the component of Safety was added to this project.

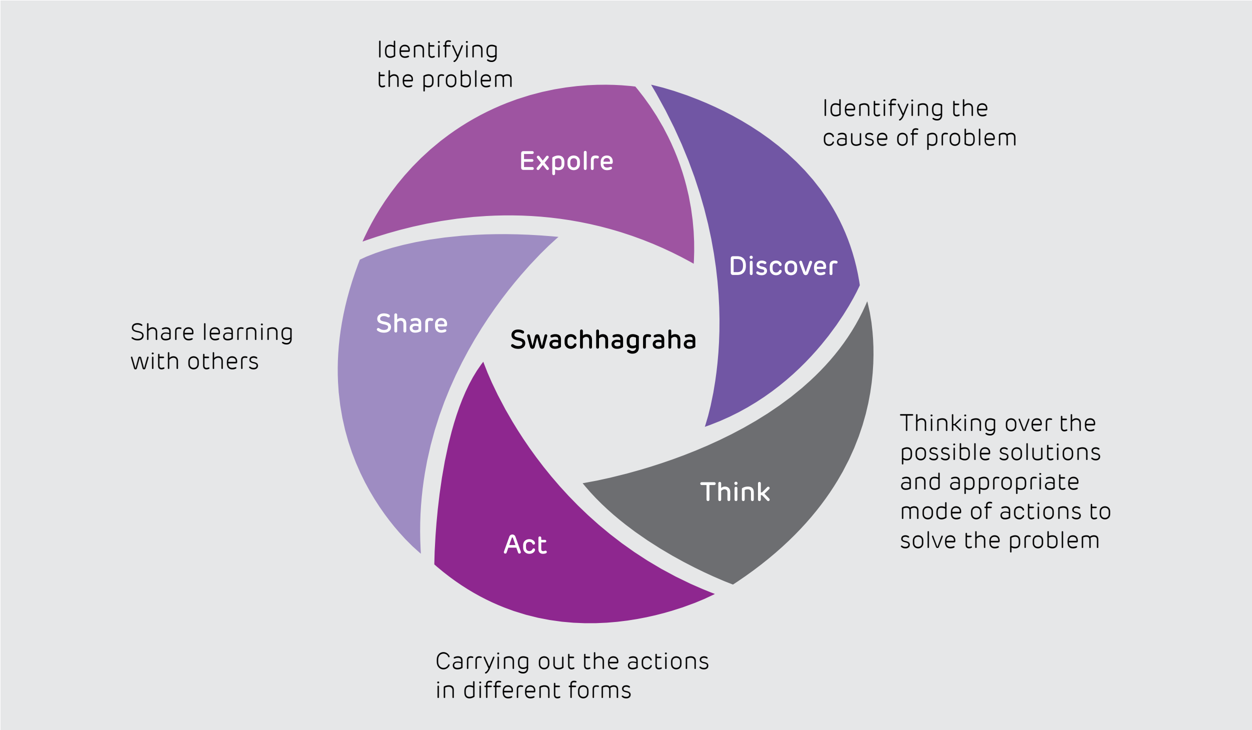
Highlighting the need for anti-littering attitude and behaviour, the Adani Foundation is striving to create a culture of cleanliness across the nation. With a team of more than 135,000 Swachhagrahis, the Adani Foundation was reaching out to 2,650,000 students every month. Through students and teachers from more than 7,600 schools, the movement reached out to more than 125 Mn people in 19 states. The Programme focuses on four key themes, namely: Waste Management and Littering, Sanitation, Personal Hygiene and Toilet Etiquettes.

Every Swachhagraha school has 'preraks' who are teachers responsible for strategising and implementing the cleanliness drive. Students of the schools become part of the Swachhagraha Dal, which inspects the school premises on a regular basis and also creates awareness about hygiene and sanitation in their schools and the neighbourhood through street plays, skits and other activities.

A safe orderly environment is necessary to support students' achievements. After the home, school is the place where students spend the maximum time and therefore concerns regarding the safety of students and staff in the school are of paramount importance. It is this concern that has encouraged AEML and the Adani Foundation to prepare a safety manual dealing with all aspects of safety both inside and outside schools. Under the safety program, ATL is planning to give training to the preraks on using education to prevent and reduce incidents or injuries. It encourages the school to address safety holistically and adopt environmental, educational and promotional strategies to work towards an injury- free school.

Children are the nation's most important resources and ensuring that they are safe and secure in schools across the country is most important. A safe school builds a culture of safety with awareness and vigilance along with the sensitivity of issues involved.

The teachers (preraks) are trained on the EBTAS model in the S+5S programme to make it more meaningful given the problem-solving and people engagement as shown below:



The Adani Foundation and Adani Electricity Mumbai Limited (AEML), with support from the Brihanmumbai Municipal Corporation (BMC), launched the 'Safety + Swachhagraha' in 2,269 schools in Mumbai. The initiative empowers an active group of teachers who motivate students to be Swachhagrahis and inculcate hygienic habits, along with creating a sense of ownership for public spaces and their cleanliness. The program also includes safety training for any kind of electricity accidents, natural and man- made disasters, fire, transportation, drinking water and other emergencies.

Meri Sangini, Meri Margdarshika

'Sangini – as change agents in Rural Hamlets' is envisaged to be a lady from a local community with some leadership qualities and willingness to serve. Sanginis build awareness and help deploy solutions to the most pressing local community problems. Being a Sangini is recognised with an in-house badge of respect and a source of pride for the individual and family.

The objective of this programme is to:

i. Provide the opportunity to women residents of urban slums (and through them to family) to access the government entitlements and services/schemes in the areas of Education, Health & Nutrition, and Livelihood.

ii. Support women to avail access to services in times of distress and avoid common stressful situations.

iii. Facilitate access and availing better livelihood & empowerment opportunities.

iv. Create a pool of resources at the Community Level in the form of Sangini.

In association with Adani Electricity Mumbai Limited (AEML), the Adani Foundation launched a new project — Meri Sangini, Meri Margdarshika — with a modest event at Aarey Colony, Mumbai. The project aims to encourage and nurture women informal leaders from within the community, who then become change-makers in their surroundings. Meri Sangini, Meri Margdarshika was implemented on a pilot basis by the Adani Foundation. in partnership with Haqdarshak Empowerment Solutions Ltd. in Tilak Nagar and Aarey Colony in Mumbai. As a Sangini, the community volunteer is provided skills to act as a peer counsellor and advisor on social issues like domestic violence. They also act as a bridge to connect people with government agencies through insurance schemes (PMJJBY and PMSBY), opening saving accounts, applying for a PAN card, creating a PPF account and enrolling in Sukanya Samriddhi Yojana. Capacity building is helping Sanginis become knowledgeable. They are trained in using the Haqdarshak mobile app, enhancing awareness and filling application forms on behalf of citizens.

Saksham

"Saksham for women – Indian Institute of Women Skills" is an 'Adani Brand Strategic CSR' project, to improve the quality of life of the women segment of society, especially those who are economically deprived. ATL is committed to contributing to this program.

The objective of the project is the development of the technical skills of women in India through specialised women's skilling institutes. The objective is to make needy women self-reliant, through the strong presence of consumer-facing businesses and communities with a deep Adani footprint.

Based on discussions with potential employers, skills in demand within the Adani group, ecosystem and other high-in-demand market skills, Saksham offers some of the identified skill development courses.

Meter reading: Meter reading is one of the core activities in current electricity, gas and water distribution sector in India and requires exceptional work ethics from person delivering the service. The meter reader training course aids one in building capability in technical execution, interaction with customers, troubleshooting problems with utility meters, this ultimately results in perfect meter reading skills as per industrial standards such as electricity meter reading, gas meter reading, water meter reading, etc.

Bill distributors: Bill distributor course trains the participants in picking up and delivering bills to consumers, apartments, and interacting with the customers in duties such as electricity bill distribution, gas bill distribution, courier services, etc.

Local language call center: Training for local language call center equips participants in a vocal communication channel that customers use to report requests or complaints to a business in positions such as tele caller, customer care representative, etc.

Digital literacy: Digital literacy course develops the capability to use digital technology and knowing when and how to use it in jobs such as cash counter operator in malls and shops, computer operator, data entry operator, etc.

Self-employed tailors: Tailoring skill course is the foundation of self-employed livelihood generation as it provides additional scope for jobs in the garment industry, approved manufacturing sector, etc.

E-commerce delivery: This training course equips the participants to get jobs in the emerging e-commerce sector such as food delivery, online shopping delivery, etc.

Other skills training: As identified from time to time. e.g., soft skills training for existing women drivers in the Mumbai market to increase their employability in the organised cab service market as in Mumbai the demand for women drivers is increasing for women passengers. Other Soft skills programs are also designed to train service agents for restaurants and other food delivery ventures, etc.

45

Total women trained

28

Total women deployed (under productivity-based contracts) in for meter reading & bill distribution in AEML in FY 21-22

Company Information

Board of Directors

Mr. Gautam S. Adani, Chairman
Mr. Rajesh S. Adani, Director
Mr. Anil Sardana, Managing Director & CEO
Mr. K. Jairaj, Independent Director
Dr. Ravindra Dholakia, Independent Director
Mrs. Meera Shankar, Independent Director
Mrs. Lisa Caroline MacCallum, Independent Director
(w.e.f. 30.11.2011)

Chief Financial Officer

Mr. Rohit Soni (w.e.f. 06.09.2021)

Company Secretary

Mr. Jaladhi Shukla

Auditors

M/s. Deloitte Haskins & Sells LLP

Registered Office

Adani Corporate House, Shantigram,
Near Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad – 382 421
Website: www.adanitransmission.com

Committees

Audit Committee

Mr. K. Jairaj, Chairman
Dr. Ravindra H. Dholakia, Member
Mrs. Meera Shankar, Member

Nomination & Remuneration Committee

Mr. K. Jairaj, Chairman
Dr. Ravindra H. Dholakia, Member
Mrs. Meera Shankar, Member

Stakeholders' Relationship Committee

Mr. K. Jairaj, Chairman
Dr. Ravindra H. Dholakia, Member
Mr. Rajesh Adani, Member
Mr. Anil Sardana, Member

Corporate Social Responsibility Committee

Mr. K. Jairaj, Chairman
Dr. Ravindra H. Dholakia, Member
Mrs. Meera Shankar, Member
Mr. Anil Sardana, Member

Risk Management Committee

Mr. K. Jairaj, Chairman
Dr. Ravindra H. Dholakia, Member
Mr. Rajesh Adani, Member
Mr. Anil Sardana, Member

Corporate Responsibility Committee

Mr. K. Jairaj, Chairman
Dr. Ravindra H. Dholakia, Member
Mrs. Meera Shankar, Member

Mergers & Acquisitions Committee

Mr. Anil Sardana, Chairman
Mr. K. Jairaj, Member
Dr. Ravindra H. Dholakia, Member

Legal, Regulatory & Tax Committee

Mr. Anil Sardana, Chairman
Mr. K. Jairaj, Member
Dr. Ravindra H. Dholakia, Member

Reputation Risk Committee

Mr. Anil Sardana, Chairman
Mr. K. Jairaj, Member
Dr. Ravindra H. Dholakia, Member

Public Consumer Committee

Mr. K. Jairaj, Chairman
Dr. Ravindra H. Dholakia, Member
Mrs. Meera Shankar, Member

Information Technology & Data Security Committee

Mr. Anil Sardana, Chairman
Mr. K. Jairaj, Member
Dr. Ravindra H. Dholakia, Member

Bankers / Financial Institutions

Aseem Infrastructure Finance Limited
Axis Bank Limited
Barclays Bank PLC
BNP Paribas
CITI Bank
Credit Suisse AG
Deutsche Bank, AG
Emirates NBD Bank (PJSC)
HDFC Bank Limited
ICICI Bank Limited
IDFC First Bank
Indusind Bank Limited
Intesa Sanpaolo
JP Morgan Chase Bank, NA
L&T Infrastructure Development Projects Limited
Mizuho Bank Limited
MUFG Bank
NIIF infrastructure finance Limited
Power Finance Corporation Limited
PTC India Financial Services Limited
Qatar National Bank (QPSC)
Rural Electrification Corporation Limited
Siemens Bank
SocieteGenerale
Standard Chartered PLC
State Bank of India
Sumitomo Mitsui Banking Corporation
The Development Bank of Singapore Limited
The Hong Kong Mortgage Corporation Limited
YES Bank Limited

Registrar & Transfer Agents

M/s Link Intime India Private Limited
5th Floor, 506-508, Amarnath Business Centre – 1 (ABC-1),
Beside Gala Business Centre,
Off C. G. Road, Ellisbridge,
Ahmedabad – 380 006.
Phone: +91-79-26465179
Fax: +91-79-26465179

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 9th Annual Report along with the Audited Financial Statements of your Company for the financial year ended on 31st March, 2022.

Financial Performance Summary

The summarized financial performance highlight is as mentioned below:

(₹ in Crore)

Particulars	**Consolidated**		**Standalone**	
	2021-22	**2020-21**	**2021-22**	**2020-21**
FINANCIAL RESULTS				
Total Revenue	**11,861.47**	**10,458.93**	**1440.67**	**1,434.66**
Total Expenditure other than Financial Costs and Depreciation	7051.35	5,975.97	742.06	765.34
Profit before Depreciation, Finance Costs and Tax	**4,810.12**	**4,482.96**	**698.61**	**669.32**
Finance Costs	2364.95	2,116.99	762.96	690.24
Depreciation, Amortization and Impairment Expense	1427.15	1,328.88	0.26	0.29
Profit Before Rate Regulated Activities, Tax and Deferred Assets recoverable/adjustable for the period / year	**1,018.02**	**1,037.09**	**(64.61)**	**(21.21)**
Net movement in Regulatory Deferral Account Balances - Income/(Expenses)	682.47	582.81	-	-
Profit Before Tax and Deferred Assets recoverable / adjustable for the period / year	**1,700.49**	**1,619.90**	**(64.61)**	**(21.21)**
Total Tax Expenses	436.06	424.23	-	-
Profit After Tax for the period / year but before Deferred Assets recoverable/adjustable	**1,264.43**	**1,195.67**	**(64.61)**	**(21.21)**
Deferred assets recoverable/adjustable	(28.68)	93.90	-	-
Profit After Tax for the period / year	**1,235.75**	**1,289.57**	**(64.61)**	**(21.21)**
Add / (Less) Share in Joint Venture & Associates	-	-	-	-
Net Profit / (Loss) after Joint Venture & Associates	**1,235.75**	**1,289.57**	**(64.61)**	**(21.21)**
Other Comprehensive Income				
- Items that will not be reclassified to profit or loss	16.37	34.24	0.08	(0.28)
- Tax relating to item that will not be reclassified to Profit & Loss	(2.89)	(6.03)	-	-
- Items that will be reclassified to profit or loss	(262.79)	(192.32)	(120.55)	(20.95)
- Tax relating to items that will be reclassified to Profit & Loss	(2.44)	17.71	-	-
Total Other Comprehensive Income / (Loss) for the year (Net of Tax)	**(251.75)**	**(146.4)**	**(120.47)**	**(21.23)**
Total Comprehensive Income / (Loss) for the year attributable to the Owners of the Company	**987.42**	**1,096.01**	**(185.08)**	**(42.44)**
Add / (Less) Share Non-controlling interests	(3.42)	47.16	-	-
Net Profit / (Loss) for the year after non-controlling interests	**984.00**	**1,143.17**	**(185.08)**	**(42.44)**
Balance carried to Balance Sheet	**984.00**	**1,143.17**	**(185.08)**	**(42.44)**

1. There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.
2. Previous year figures have been regrouped / re-arranged wherever necessary.

Performance

Consolidated Financial Results

The Audited Consolidated Financial Statements of your Company as on 31st March 2022, prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of the Companies Act, 2013 ("the Act"), forms part of this Annual Report.

The key aspects of your Company's consolidated performance during the FY 22 are as follows:

Operational Highlights

Your Company is the transmission and distribution business arm of the Adani Group, one of India's largest business conglomerates. Adani Transmission Limited (ATL) is the country's largest private transmission Company with a cumulative transmission network of ~ 18,795 ckt km and cumulative transformation capacity of ~ 40,001 MVA, out of which ~14,279 ckt km and ~ 20,765 MVA is operational and ~ 4,516 ckt km and 19.236 MVA is at various stages of construction. ATL also operates a distribution business serving about 3 million+ customers in Mumbai. With India's energy requirement set to quadruple in coming years, ATL is fully geared to create a strong and reliable power transmission network and work actively towards serving retail customers and achieving 'Power for All' by CY 22.

Your Company has evolved over the past few years. During the year under review, your Company has acquired following four companies which will bolster its pan-India presence, consolidating further its position as the largest private sector transmission Company in India and moving it closer to its goal of 20,000 ckt km of transmission lines by CY 2022.

1. MP Power Transmission Package-II Limited
2. MPSEZ Utilities Limited
3. Karur Transmission Limited
4. Khavda-Bhuj Transmission Limited

Your Company is constantly benchmarking to be the best-in-class and is pursuing focused approach to be world-class integrated utility through development agenda coupled with de-risking of strategic and operational aspects, capital conservation, ensuring high credit quality and forging strategic partnerships for business excellence and high governance standards. Your Company is maintaining 24x7 quality power supply despite challenges posed by health and pandemic issues. The journey towards robust ESG framework and practicing culture of safety is integral to its pursuit for enhanced long-term value creation for all stakeholders.

The following are some of the operational highlights for FY 22 –

- Added 1,104 ckt kms to transmission network in FY22 on account of organic and inorganic growth taking total network to ~18,795 ckt kms.
- Strong Transmission system availability at more than 99.70%.
- Distribution business ensured more than 99.99% supply reliability despite challenges on ground.
- Distribution losses were at 6.55% vs 7.82% in FY 2020-21 (FY 21).
- Consumer-centric initiatives in Distribution business continue with digital payment at 69.7%.

Financial Highlights:

Consolidated Performance on YoY basis -

Stable Transmission business delivered operational Revenue of ₹3,217 Crore and Operational EBITDA of ₹2,968 Crore in FY 22 translating into strong margin of 92%.

Distribution business Operational EBITDA grew by 1.9% in FY 22.

Performance highlights -

- Cash Profit of ₹3,039 Crore, up 3.8%
- PBT at ₹1,700 Crore, up 5%.
- PAT at ₹1,236 Crore, 4.2% lower due to deferred tax recognition in Distribution business in FY21.
- Consolidated Operational EBITDA at ₹4,659 Crore vs. ₹4,233 Crore in FY21, up 10.1%
- Transmission Operational EBITDA at ₹2,968 Crore, up 15.3% with a margin of 92%
- Distribution Operational EDITDA at ₹1,692 Crore, up 1.9%

Standalone Financial Results:

On standalone basis, your Company registered Total Revenue of ₹1,440.67 Crore in FY22 as compared to ₹1,434.66 Crore in FY 21.

The detailed operational performance of your Company has been comprehensively discussed in the Management Discussion and Analysis Section, which forms part of this Annual Report.

Dividend

The Board of your Company, after considering holistically the relevant circumstances and keeping in view the tremendous growth opportunities that your Company is currently engaged with, has decided that it would be prudent not to recommend any dividend for the year under review.

Fixed Deposits

There were no outstanding deposits within the meaning of Section 73 and 74 of the Act read with rules made thereunder at the end of the financial year 2021-22 or the previous financial years. Your Company did not accept any deposit during the year under review.

Particulars of Loans, Guarantees or Investments

The provisions of Section 186 of the Act, with respect to a loan, guarantee or security are not applicable to the Company as the Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Act. The details of investments made by the Company during the year under review are disclosed in the financial statements.

Subsidiaries, Joint Ventures and Associate Companies

Your Company had 33 direct subsidiaries as on 31st March, 2021. During the year under review, the following companies were acquired / incorporated -

Acquired –

- MP Power Transmission Package-II Limited from REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited).
- MPSEZ Utilities Limited from Adani Ports and Special Economic Zone Limited.
- Khavda-Bhuj Transmission Limited from PFC Consulting Limited.
- Karur Transmission Limited from PFC Consulting Limited.

New incorporation -

- ATL HVDC Limited as a wholly owned subsidiary company.

In view of the above, the total number of Subsidiaries, as on 31st March 2022 was 38.

There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act. There has been no material change in the nature of the business of the subsidiaries.

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules framed there under and pursuant to Regulation 33 of the SEBI Listing Regulations, your Company has prepared Consolidated Financial Statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1, which forms part of this Annual Report.

The Annual Financial Statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours. The financial statements of the subsidiary companies shall also be kept for inspection by any shareholder/s during working hours at the Company's Registered Office and that of the respective subsidiary companies concerned. In accordance with Section 136 of the Act, the Audited Financial Statements, including consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on the website of the Company, www.adanitransmission.com.

Pursuant to Section 134 of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014 the details of developments of subsidiaries of the Company are covered in the Management Discussion and Analysis Report, which forms part of this Annual Report.

Management Discussion and Analysis

The Management Discussion and Analysis for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a separate section forming part of this Annual Report.

Directors and Key Managerial Personnel

As of March 31, 2022, your Company's Board had seven members comprising of three Executive Directors and four independent directors.

The Board has two women Directors. The details of Board and Committee composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, Mr. Gautam S. Adani (DIN: 00006273) is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

Ms. Lisa Caroline MacCallum (DIN: 09064230) was appointed as an Additional Director (Non-Executive & Independent) of the Company w.e.f. 30th November, 2021. As an Additional Director, she holds office upto the ensuing AGM. The Company has received notice from a Member under Section 160 of the Act, proposing her appointment as a Director of the Company. In accordance with the provisions of Section 149 of the Act, Ms. Lisa Caroline MacCallum is being appointed as an Independent Director to hold office as per her tenure of appointment mentioned in the Notice of the ensuing AGM. In the opinion of the Board, she possesses requisite expertise, integrity and experience (including proficiency) for appointment as an Independent Director of the Company. Terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act and SEBI Listing

Regulations, and available on Company's website (www.adanitransmission.com).

The Board recommends the appointment / re-appointment of above Directors for your approval. Brief details of Directors proposed to be appointed / re-appointed as required under Regulation 36 of the SEBI Listing Regulations are provided in the Notice of the ensuing AGM.

The Company has further received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as Independent Director during the year.

During the year under review, the Board of Directors on the recommendation of Nomination and Remuneration Committee & Audit Committee, has appointed Mr. Rohit Soni as the Chief Financial Officer (CFO) and Key Managerial Personnel of the Company w.e.f. 6th September, 2021.

Committees of Board

During the year under review, with an objective of further strengthen the governance standards so as to match with internationally accepted better practices, the Board had reconstituted certain existing Committees to bring more independence; constituted certain new Committees and Sub-committees; and amended / adopted the terms of reference of the said Committees. Most of the Committees consist of majority of the Independent Directors.

Details of various Committees constituted by the Board, including the Committees mandated pursuant to the applicable provisions of the Act and SEBI Listing Regulations, are given in the Corporate Governance Report, which forms part of this Annual Report.

Number of meetings of the Board

The Board of Directors met 5 (five) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

Independent Directors' Meeting

The Independent Directors met on 28th March, 2022, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Board Evaluation

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

At the Board Meeting that followed the above mentioned meeting of the Independent Directors, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

Policy on Directors' Appointment and Remuneration

The Company's policy on Directors' appointment and remuneration and other matters ("Remuneration Policy") provided in Section 178(3) of the Act is available on the Company's website at https://www.adanitransmission.com/Investors/Corporate-Governance.

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy of the Company.

Directors' Responsibility Statement

Pursuant to Section 134(5)of the Act, the Board of Directors, to the best of their knowledge and ability, state the following:

a. that in the preparation of the Annual Financial Statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st Mach, 2022 and of the Profit of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the Annual Financial Statements have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;

f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Internal Financial Controls system and their adequacy

The details in respect of internal financial controls system and their adequacy are included in the Management and Discussion and Analysis Section, which forms part of this Annual Report.

Risk Management

The Board has formed a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan for the Company. The RMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has an additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. Further, details are included in the separate section forming part of this Annual Report.

Board Policies

The details of the policies approved and adopted by the Board, as required under the Act and SEBI Listing Regulations are provided in **Annexure – A** to this report.

Corporate Social Responsibility (CSR)

Your Company has constituted a Corporate Social Responsibility (CSR) Committee and framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report. The updated CSR Policy is available on the website of the Company at https://www.adanitransmission.com/investors/corporategovernance. The Annual Report on CSR activities is annexed to this report.

Further, the Chief Financial Officer of the Company has certified that CSR spends of the Company for the financial year 2021-22 have been utilized for the purpose and in the manner approved by the Board.

Till 2017-18, your Company was preparing a separate Annual Report and Sustainability Report. This is the forth year that we have combined both the reports into one, presenting financial and non-financial metrics in an integrated report, for a more holistic picture of our purpose, performance and prospects.

Corporate Governance

Your Company is committed to good corporate governance practices. The Corporate Governance Report, as stipulated by the SEBI Listing Regulations, forms part of this Annual Report along with the required Certificate from Practicing Company Secretary regarding compliance of the conditions of corporate governance, as stipulated.

In compliance with corporate governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company (Code of Conduct), who have affirmed the compliance thereto. The said Code of Conduct, is available on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

Business Responsibility and Sustainability Report

In its constant endeavor to improve corporate governance, your Company has, on a voluntary basis, transitioned to Business Responsibility and Sustainability Report (BRSR) for the year ended 31st March, 2022, which forms part of this Annual Report.

Annual Return

Pursuant to Section 134(3) (a) of the Act, the draft annual return as on March 31, 2022, prepared in accordance with Section 92(3) of the Act, is made available on the website of the Company and can be assessed using the link www.adanitransmission.com/investors/corporategovernance.

Transactions with Related Party

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All related party transactions, entered into during the financial year under review, were on an arm's length basis and were in the ordinary course of business. Your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

During the year under review, your Company has reported transactions with related party which are material as per Regulation 23 of the SEBI Listing Regulations and the details of the said transactions are provided in the Explanatory Statement to Notice of the ensuing AGM.

The Policy on Related Party Transactions is available on the Company's website and can be assessed using the link https://www.adanitransmission.com/investors/corporate-governance.

General Disclosure

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions / events on these items, during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (Including Sweat Equity Shares) to employees of the Company under any scheme.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
4. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Act).
5. Change in the nature of business of your Company.
6. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
7. One time settlement of loan obtained from the banks or financial institutions.

Insurance

Your Company has taken appropriate insurance for all assets against foreseeable perils.

Statutory Auditors & Auditors' Report

Pursuant to the provisions of Section 139 of the Act read with rules made thereunder, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) hold office as the Statutory Auditors of the Company until the conclusion of the 10th AGM to be held in the calendar year 2023.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. There are no qualifications or reservations on adverse remarks or disclaimers given by Statutory Auditors of the Company and therefore do not call for any comments under Section 134 of the Act. The Auditors' Report is enclosed with the financial statements in this Annual Report.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act and the rules made thereunder, your Company has re-appointed M/s. Chirag Shah & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for FY 2021-22 is provided as **Annexure-B** of this report. There are no qualifications or reservations on adverse remarks or disclaimer in the said Secretarial Audit Report.

As per the requirements of the Listing Regulations, Practicing Company Secretaries of the respective material subsidiaries of the Company have undertaken secretarial audits of these subsidiaries for FY 2021-22. The Secretarial Audit Report confirms that the material subsidiaries have complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances.

Secretarial Standards

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

Reporting of frauds by auditors

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of fraud committed against your Company by its officers or employees to the Audit Committee or the Board, under Section 143(12) of the Act.

Particulars of Employees

Your Company, along with its operational subsidiaries, had 5,105 permanent employees on consolidated basis as on 31st March, 2022.

The percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel (KMP) (as required under the Act) to the median of employees' remuneration, as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as **Annexure-C** of this report.

The statement containing particulars of employees as required under Section 197 of the Act read with

Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the report and accounts are being sent to the Members and others entitled thereto, excluding the said annexure which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Prevention of Sexual Harassment at Workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committees (ICCs) at all relevant locations across India to consider and resolve the complaints related to sexual harassment.

The ICCs include external members with relevant experience. The ICCs, presided by senior woman, conduct the investigations and make decisions at the respective locations. The ICCs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely. During the year under review, there were no complaints pertaining to sexual harassment. All new employees go through a detailed personal orientation on anti sexual harassment policy adopted by the Company.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, as amended, is provided as **Annexure-D** of this report.

Acknowledgment

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Governments of various states in India, Financial Institutions and Banks. Your Directors thank all the esteemed shareholders, customers, suppliers and business associates for their faith, trust and confidence reposed in the Company.

Your Directors also wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel even during the challenging times of COVID-19 pandemic.

For and on behalf of the Board of Directors

Gautam S. Adani
Chairman
(DIN: 00006273)

Date: 5th May, 2022

Annexure – A to the Directors' Report

Sr. No.	Policy Name	Web-link
1.	Vigil Mechanism / Whistle Blower Policy [Regulation 22 of SEBI Listing Regulations and as defined under Section 177 of the Act]	https://www.adanitransmission.com/investors/corporate-governance
2.	Policy for procedure of inquiry in case of leak or suspected leak of unpublished price sensitive information [Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations]	
3.	Code of Practices and Procedures for Fair disclosure of unpublished price sensitive information [Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations]	
4.	Terms of Appointment of Independent Directors [Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act]	
5.	Familiarization Program [Regulations 25(7) and 46 of SEBI Listing Regulations]	
6.	Related party transactions [Regulation 23 of SEBI Listing Regulations and as defined under the Act]	
7.	Policy on Material Subsidiary [Regulation 24 of the SEBI Listing Regulations]	
8.	Material Events Policy [Regulation 30 of SEBI Listing Regulations]	
9.	Website content Archival Policy [SEBI Listing Regulations]	
10.	Policy on Preservation of Documents [Regulation 9 of SEBI Listing Regulations]	
11.	Nomination and Remuneration Policy of Directors, KMP and other Employees [Regulation 19 of the SEBI Listing Regulations and as defined under Section 178 of the Act]	
12.	CSR Policy [Section 135 of the Companies Act]	
13.	Dividend Distribution and Shareholder Return Policy [Regulation 43A of the SEBI Listing Regulations]	
14.	Code of Conduct [Regulation 17 of the SEBI Listing Regulations]	
15.	Policy on Board Diversity [Regulation 19 of the SEBI Listing Regulations]	
16.	Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders (Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015.)	

Annexure – B
to the Directors' Report

Form No. MR-3

Secretarial Audit Report
FOR THE FINANCIAL YEAR ENDED 31.03.2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Adani Transmission Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI TRANSMISSION LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March,2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made hereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the Audit Period)**;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**; and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, Regulations 2018 **(Not Applicable to the Company during the Audit Period)**;

  (i) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015;

(vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

  (a) The Electricity Act, 2003

  (b) The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

We have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards issued by The Institute of Company Secretaries of India.

(b) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above however the position of Chief Financial Officer, KMP was filled after a gap of 217 days.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that

1. during the audit period, the Company has passed the following Special Resolutions

    i. Approval of offer or invitation to subscribe to Securities for an amount not exceeding ₹2,500 Crores.

Chirag Shah
Partner
Chirag Shah and Associates
FCS No. 5545
C P No.: 3498
UDIN : F005545D000272911
Peer Review Cer. No.704/2020

Place: Ahmedabad
Date: 5th May, 2022

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure - A
to the Secretarial Audit Report

To
The Members
Adani Transmission Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Chirag Shah
Partner
Chirag Shah and Associates
FCS No. 5545
C P No.: 3498

Place: Ahmedabad
Date: 5th May, 2022

Form No. MR-3

Secretarial Audit Report

FOR THE YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
ADANI ELECTRICITY MUMBAI LIMITED
Adani Corporate House, Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar Ahmedabad 382421, Gujrat, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Adani Electricity Mumbai Limited** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of **Adani Electricity Mumbai Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the year ended March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board–processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended March 31, 2022 according to the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder- Not applicable;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings-
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')- **Not applicable**;
    (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
    (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
    (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009; and
    (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. Other laws specifically applicable to the company:-
    (a) The Electricity Act, 2003 and the rules & regulations made thereunder;

The adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, environmental laws etc. to the extent of their applicability to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors, Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors.

We further report that, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period no special Resolution were passed.

For Ashita Kaul & Associates
Company Secretaries

Proprietor
FCS 6988/ CP 6529
UDIN:F006988D000254171

Date: 2nd May, 2022
Place: Mumbai

Form No. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED ON 31.03.2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Maharashtra Eastern Grid Power Transmission Company Limited
Adani Corporate House,
Shantigram Near Vaishno Devi Circle,
S. G. Highway, Khodiyar Ahmedabad - 382421

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Maharashtra Eastern Grid Power Transmission Company Limited** (CIN: U40100GJ2010PLC059593) (hereinafter called the Company). Secretarial Audit (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; not applicable

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; applicable

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; not applicable

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **not applicable**

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **not applicable**

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **not applicable**

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **not applicable**

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **not applicable**

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **not applicable**

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **not applicable** and

  (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **not applicable**

I have also examined compliance with the applicable clauses of the followings:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with the Stock Exchange(s), if applicable; **not applicable**

Other legislation:

1. The Electricity Act, 2003
2. The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. There were no dissenting views on any matter.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has no specific events/actions having a major bearing on the company's affairs in pursuance to the above mentioned laws, rules, regulations, guidelines, standard etc.

Note: This Report is to be read with our letter of even date which is annexed herewith and forms an integral part of the Report

For Jigar Shah & Co.
Practising Company Secretary

Jigar shah
Proprietor
FCS No.: 4958
C.P. No.: 24085
UDIN: F004958D000129357

Place : Ahmedabad
Date : 15.04.2022

Annexure to Secretarial Audit Report

To,
The Members
Maharashtra Eastern Grid Power Transmission Company Limited
Adani Corporate House,
Shantigram Near Vaishno Devi Circle,
S. G. Highway, Khodiyar Ahmedabad - 382421

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. in the situation of COVID-19 pandemic, I have conducted the secretarial Audit based upon the online documents/information provided by and discussion with the management without personal visit to the Company's premises.
5. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Jigar Shah & Co.
Practising Company Secretary

Jigar shah
Proprietor
FCS No.: 4958
C.P. No.: 24085
UDIN: F004958D000129357

Place : Ahmedabad
Date : 15.04.2022

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended 31st March, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ADANI TRANSMISSION (INDIA) LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI TRANSMISSION (INDIA) LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after. The physical Inspection or Verification of documents and records were taken to the extent possible.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **(Not Applicable to the company during the Audit period)**:-

  a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

  e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

  f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

  h. The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018; and

  i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:

  (a) The Electricity Act, 2003

  (b) The Grid Code, the grid connectivity standards applicable to the Transmission

Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

We have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. During the year under review, Whole-time Director of the Company was appointed also a whole-time director in other Company which is also a wholly-owned subsidiary of the Company's Holding Company.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For, Chirag Shah & Associates

Raimeen Maradiya
Partner
ACS No: 43050
C P No: 17554

Place: Ahmedabad
Date: 05.05.2022
UDIN: F011283D000311418

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members
ADANI TRANSMISSION (INDIA) LIMITED

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Chirag Shah & Associates

Raimeen Maradiya
Partner
ACS No: 43050
C P No: 17554

Place: Ahmedabad
Date: 05.05.2022
UDIN: F011283D000311418

Annexure – C to the Directors' Report

[Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2021-22 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the FY 2021-22:**

Name of Directors/KMP	Ratio of remuneration to median remuneration of Employees	% increase in remuneration in the financial year
Executive Directors		
Mr. Gautam S. Adani, Chairman	N.A.	N.A.
Mr. Rajesh S. Adani, Director	N.A.	N.A.
Mr. Anil Kumar Sardana, Managing Director & CEO	N.A.	N.A.
Non-Executive & Independent Directors		
Mr. K. Jairaj[1]	0.91:1	-
Mrs. Meera Shankar[1]	0.72:1	-
Dr. Ravindra H. Dholakia[1]	0.81:1	-
Mrs. Lisa Caroline MacCallum	N.A.	N.A.
Key Managerial Personnel		
Mr. Rohit Soni, CFO[2 & 3]	N.A.	N.A.
Mr. Jaladhi Shukla[2 & 3]	N.A.	N.A.

1. Reflects Directors' sitting fees.
2. Appointed w.e.f. 6th September, 2021
3. Executive Directors and KMPs are not drawing any remuneration from the Company.

ii) **The percentage increase in the median remuneration of employees in the financial year:** 10%

iii) **The number of permanent employees on the rolls of Company:** 5,105 permanent employees on consolidated basis as on 31st March 2022.

iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

- Average increase in remuneration of employees excluding KMPs: 10%
- Average increase in remuneration of KMPs: Not Applicable

v) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:** The Company affirms remuneration is as per the Remuneration Policy of the Company.

Annexure – D to the Directors' Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy:

(i) Steps taken or impact on conservation of energy:

- Replacement of all the halogen lamps with LED.
- Fixing of A.C. temperatures at 23 Degree Celsius to maintain balance of cooling without extra unnecessary consumption.
- Switching of space heaters in Marshalling boxes, BMK etc. during winters.
- Awareness among the staffs to avoid Energy wastage.
- High efficiency lighting control, motors, pumps, fans & ACs installed with BEE Rating/Five star to reduce the Auxiliary Power Consumption
- Replace compact florescent lamp (CFL) with LED device
- Black film on windows with firm packing to prevent cooling loss, thereby providing more efficiency for Air conditioner.
- Improved insulation of AC coolant pipes.
- Use of photo-electric sensors for switching on/off lights for designated areas in the control rooms.

(ii) Steps taken by the company for utilizing alternate sources of energy:

Installation and commissioning of additional 1 MW solar in Mahendragarh sites.

(iii) Capital investment on energy conservation equipment:

NIL

B. Technology Absorption:

O&M:

- Adopting the best technologies in our business is essential in ensuring and maintaining global benchmarks in performance. We ensure this through our in house engineering and adopting best technologies available in the market.
- Commissioning of 12 Ohm series reactor in Mahendragarh
- Establishment of 4x500MVA, 400/220kV Jam Khambhaliya PS (GIS), Guj under Jam Khambaliya Transco Limited.
- Used Fipress fire prevention and monitoring technology to negate start of fire in confined spaces.
- Establishment of ENOC under process.
- Introduced Field force mobility solution for enhance tracking of workforce and PM activities.
- Audit Management System in place to cater information related audit and assessment in SAP.
- Installation of sensor TWFL system for automatic identification and localization of faults
- Finalization of sensorisation road map within ATL and implementation of Online DGA sensorisation activities at sites.
- Drone Thermal Scanning of ~14000 insulator strings at 400 kV Transmission line to early detect the defects and ensure healthiness of asset. Execution of task was 3 times faster than manual scanning with the help of drone.
- Usage of Robots in substations for autonomous surveillance at 400 kV Sami SS.

- Ensuring asset longevity through 765 kV Digitalisation project at Akola substation.
- Technology POC: Demo of Intelligent Wearables for assisting worker remotely, was conducted at Sami SS. The device had advanced features like live group discussion with site work executor, video or picture recording facility and other advance safety features.
- Robotic inspection for 400 kV Reactor (wirelessly controlled Robot). Critical findings helped to avoid equipment failure and corrective actions were immediately implemented.
- Control Switching Device installation on EHV circuit breakers to reduce switching transients and thereby help in asset longevity.

CQA:

- Android based QA observation application development is in process to capture, analyze & monitor real time quality observations. This initiative is merged with IPMS module.
- Drone/ UAV deployment is a continuous process & currently in progress at WKTL SPV for stringing final checking.

HSE:

- Monitoring of Vehicular safety through Digital solution – Purchase order is released and internal approvals on consent forms are under progress
- Monitoring of Safety aspects through smart wearables – Vendors are being finalized

IT:

- 12 Projects related to SAP Development completed.
- 01 Project related to web based COTS completed.
- 01 Project related to BI/ BO Reports completed.
- 01 Project related to Mobile application for business users
- 22 Location MPLS connectivity at new / existing site locations Completed

C. Foreign Exchange Earnings and Outgo:

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

(₹ in Crores)

Particulars	2021-22	2020-21
Foreign exchange earned	--	--
Foreign exchange outgo	526.13	175.73

Annexure to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AS PER SECTION 135 OF THE COMPANIES ACT, 2013 FOR FY 22.

1.	Brief outline on CSR Policy of the Company	:	The Company has framed Corporate Social Responsibility (CSR) Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society. The CSR Policy has been uploaded on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

2. Composition of CSR Committee :

Sr. No.	Name of Director	Designation/ Nature of Directorship	No. of meetings of CSR Committee held during the tenure	No. of meetings of CSR Committee attended during the tenure
1.	Mr. K Jairaj	Chairman	02	02
2.	Mr. Anil Sardana	Member	02	02
3.	Mrs. Meera Shankar[2]	Member	01	01
4.	Dr. Ravindra Dholakia[2]	Member	01	01
5.	Mr. Rajesh Adani[1]	--	01	01

1. Ceased as chairman and member of the Committee w.e.f. 29th October, 2022.
2. Appointed as members of the Committee w.e.f. 29th October, 2022.

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	:	https://www.adanitransmission.com/-/media/Project/Transmission/Investor/documents/Policies/ATL-CSR-Report.pdf
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	:	Not Applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.	:	Not Applicable
6.	Average net profit of the company as per section 135(5) for last three financial years.	:	₹12.77 Crore
7.	a Two percent of average net profit of the company asper section 135(5)	:	₹0.26 Crore
	b Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	:	Nil
	c Amount required to be set off for the financial year, if any	:	Nil
	d Total CSR obligation for the financial year 21-22(7a+7b-7c)	:	₹0.26 Crore

8. a. CSR amount spent or unspent for the financial year 2021-22 : As per below given table.

Total Amount Spent for the Financial Year. (in ₹)	Amount unspent (₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
0.26 Crore	N.A.	N.A.	N.A.	N.A.	N.A.

b. Details of CSR amount spent against ongoing projects for the financial year 2021-22 : Not Applicable

c. Details of CSR amount spent against other than ongoing projects for the financial year 2021-22. : As per given below table.

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local Area (Yes / No)	(5) Location of the Project		(6) Amount spent in the current financial Year (in ₹).	(7) Mode of Implementation - Direct (Yes/ No).	(8) Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Reg. No.
1	Expenditure for food support to COVID-19 effected people through various Ahar Kendra	Item No. (i) of Schedule VII to the Act – Eradicating hunger, poverty and malnutrition	Yes	Gujarat	Ahmedabad	₹0.26 Crore	No	Adani Foundation (No. CSR00000265)	

d. Amount spent in Administrative Overheads : Nil

e. Amount spent on Impact Assessment, if applicable : Nil

f. Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹0.26 Crore

g. Excess amount for set off, if any : N.A.

Sr. No.	Particulars	Amount (₹)
(i)	Two percentage of average net profit of the company as per section 135(5)	₹0.26 Crore
(ii)	Total amount spent for the Financial Year	₹0.26 Crore
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. a. Details of Unspent CSR amount for the preceding three financial years : Not Applicable

   b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) : Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). : Not Applicable

    a. Date of creation or acquisition of the capital asset(s). : Not Applicable

    b. Amount of CSR spent for creation or acquisition of capital asset : Not Applicable

    c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable

    d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). : Not Applicable

Anil Sardana
Managing Director & CEO
(DIN: 00006867)

K. Jairaj
Independent Director & Chairman of CSR Committee
(DIN: 01875126)

Management discussion and analysis

Global economic overview

The global economy grew an estimated 6.1% in 2021 compared to a de-growth of 3.3% in 2020 and and is expected to grow at 2.9% in 2022.

The global economic recovery was attributed to accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose).

The global economy was affected by prohibitive shipping freight rates, a shortage of shipping containers and semiconductor chips in 2021. Inflation was at its highest since 2011, especially in the advanced economies, catalysed by a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine war. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

Regional growth (%)	2021	2020
World output	6.1	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

Performance of major economies

United States: The country reported GDP growth of 5.7% in 2021 compared to a de-growth of 3.4% in 2020, following the government's investment of trillions of dollars in COVID relief.

China: The country's GDP grew 8.1% in 2021 compared to 2.3% in 2020 despite it being the novel coronavirus epicentre.

United Kingdom: The country's GDP grew 7.5% in 2021 compared to a 9.9% de-growth in 2020.

Japan: The country reported growth of 1.7% in 2021 following a contraction in the previous year.

Germany: The country reported a GDP growth of 2.9% in 2021 compared to a decline of 4.9% in 2020.

(Source: World Bank, IMF, Business Standard, Times of India)

Indian economic overview

The Indian economy reported an attractive recovery in 2021-22, its GDP rebounding from a de-growth of 7.3% in 2020-21 to an estimated growth of 8.7% in 2021-22. By the close of 2021-22, India was among the six largest global economies, its economic growth rate was the fastest among major economies (save China), its market size at around 1.40 billion the second most populous in the world and its rural under-consumed population arguably the largest in the world.

Y-o-Y growth of the Indian economy

	FY19	FY20	FY21	FY22
Real GDP growth (%)	6.1	4.2	(7.3)	8.7

Growth of the Indian economy, 2021-22

	Q1, FY22	Q2, FY22	Q3, FY22	Q4, FY22
Real GDP growth (%)	20.1	8.4	5.4	4.1

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result is that after a growth of 1.6% in the last quarter of 2020-21, the Indian economy grew 20.1% in the first quarter of FY 2021-22 due to the relatively small economic base during the corresponding period of the previous year.

India's monsoon was abundant in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. The estimated production of rice and pulses was 127.93 million tonnes and 26.96 million tonnes respectively. The total oilseeds production of the country recorded a volume of 371.47 million tonnes. Moreover, based on the spatial and temporal distribution of the 2021 monsoon rainfall, the agricultural gross value added (GVA) growth in FY22 was anticipated to be 3-3.5%. The country's manufacturing sector grew an estimated 12.5%, the agriculture sector 3.9%, mining and quarrying by 14.3%, construction by 10.7% and electricity, gas and water supply by 8.5% in FY 2021-22.

There were positive features of the Indian economy during the year under review.

India got the highest annual FDI inflow of USD 83.57 billion in FY2021-22, a validation of the global investing confidence in India's growth story. The government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from 49% to 74% in the Union Budget 2021-22.

India surpassed the ₹88,000 cr target set for asset monetisation in 2021-22, raising over ₹97,000 crore with roads, power, coal, mining and minerals accounting for a large chunk of the transactions.

The Indian government launched a four-year ₹6 lakh crore asset monetisation plan (roads and highways, pipelines, power transmission lines, telecom towers, railways station re-development, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets).

In 2021, India was the largest recipient of global remittances. The country received USD 87 billion during 2021, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of USD 642.45 billion as on September 3, 2021, crossing USD 600 billion in forex reserves for the first time.

India's currency weakened 3.59% from ₹73.28 to ₹75.91 to a US dollar through FY 22. The consumer price index (CPI) of India stood at an estimated 5.3% in FY 2021-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2021-22 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March 2022 at ₹1.42 lakh crore, which was 15% higher than the corresponding period in 2021.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth ₹51,000 crores in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of $3.21 trillion in March 2022.

The fiscal deficit was estimated at ~₹15.91 trillion for the year ending March 31, 2022 on account of a higher government expenditure during the year under review.

India's per capita income was estimated to have increased 16.28% from ₹1.29 lakh in 2020-21 to ₹1.50 lakh in 2021-22 following a relaxation in lockdowns and increased vaccine rollout.

India's tax collections increased to a record ₹27.07 lakh crore in FY 2021-22 compared with a Budget estimate of ₹22.17 lakh crore. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio increased from 10.3% in FY21 to 11.7% in FY22, the highest since 1999.

Retail inflation in March at 6.95% was above the RBI's tolerance level of 6% but fuel prices played no part in this surge. Retail inflation spiked to a 17-month high in March 2022, above the upper limit of the RBI's tolerance band for the third straight month.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

Indian economic reforms and Budget 2022-23 provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The government is emphasizing the role of PM Gati Shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition, Climate Action, and Financing of Investments.

The capital expenditure target of the Indian government expanded by 35.4% from ₹5.54 lakh crore to ₹7.50 lakh crore. The effective capital expenditure for FY23 was seen at ₹10.7 lakh crore. An outlay of ₹5.25 lakh crore was made to the Ministry of Defence, 13.31% of the total Budget outlay. A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India'. An announcement of nearly ₹20,000 crore was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated in 2022-23 for the national highways network. To boost the agricultural sector, an allocation of ₹2.37 lakh crore was made towards the procurement of wheat and paddy under MSP operations. An outlay of ₹1.97 lakh crore was announced for Production Linked Incentive (PLI) schemes across 13 sectors.

Outlook

The Indian economy is projected to grow by 8% in FY23 (World Bank estimate), buoyed by tailwinds of consistent agricultural performance, flattening of the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine programme, leading to a revival in economic activity.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about ₹5 trillion. Besides, the government's production linked incentives (PLI)–led capex could generate an incremental ₹1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles.

Global power sector overview

The increasing demand for global electricity in the first half of 2021 surpassed the growth of clean electricity, resulting in a rise in emissions-intensive coal power. This resulted in a spike in global power sector emissions beyond levels prior to the onset of the pandemic.

The second half of 2021 saw a further rise in global electricity demand.The year 2021 saw wind and solar driven growth of the clean energy sector. For the first time, these two sources produced more than 10% of global electricity generation, overtaking nuclear generation.

According to the energy think-tank Ember, the level of emissions from the power sector declined in the first half of 2020 due to the COVID-19 pandemic. However, H1 2021 saw these levels surpassing pre-pandemic levels (H1 2019) by 5%. Moreover, the demand for global electricity witnessed a rise of 5% in H1 2021 in comparison to the pre-pandemic level, largely met by wind and solar (57%) and an increase in coal power (43%). Gas remained unchanged, while the hydro and nuclear power witnessed a minor decline. The demand for global electricity was estimated to increase 4.5% in 2021 compared to a contraction of 1% in 2020.

There was a growth trajectory in wind and solar energy. The number witnessed considerable growth, more than double from 5% of global electricity as recently as 2015. This was the first time that solar panels and wind turbines produced more than all the world's nuclear power plants. The share of nuclear energy in global electricity experienced negligible change during this period as lesser number of new plants are being built outside China, and older nuclear plants are closed in OECD countries.(Source: Hindustan Times)

Indian power sector overview

India's power sector is one of the most diversified in the world. The country's power sector is one of the largest and most complex. The sources of its power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, as well as agricultural and domestic waste.

Over the past few decades, the country has seen a remarkable evolution. Today, almost every citizen has access to grid electricity, power deficiency has reduced and renewable energy capacity has reached a fourth of capacity. To meet the increasing demand for electricity in the country, a major addition to the installed generating capacity is mandated. In May 2018, the nation ranked fourth in the Asia-Pacific region out of 25 nations on an index that measured the countries' overall power. India ranked fourth in wind, fifth in solar and fifth in renewable power installed capacity as of 2018. Moreover, the country ranked sixth in the list of countries to make significant investments in clean energy at US$ 90 billion. India was the only country among the G20 nations on track to achieve its targets under the Paris Agreement.

India stood as the third largest producer and second largest consumer of electricity in the world, with a total installed capacity of 395.6 GW as on 28th February, 2022. The country achieved success in its newer energy development initiatives, even as challenges persisted due to the third wave of Covid-19 and emergence of new variants. (Source: PIB)

India's per capita power consumption

Countries	India	China	USA	France	Japan
Per capita electricity consumption in kWh (2018)	1,208	5,297	12,235	8,097	7,446

Source: Statista

India's power generation

Year	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Power generation (in billion units)	1241.7	1308.1	1376.1	1389.1	1381.82	1,234.3*

*Up to January 2022 (Provisional), Source: CEA

India is expected to report an energy surplus of 6.4% and a peak surplus of 9.1% for FY2021-22 according to Central Electricity Authority. The north-eastern, southern, western and northern regions were expected to witness surplus energy generation of 24%, 7.6%, 7.9% and 7.5% respectively in FY2021-22. Power demand saw a decline during the second wave of Covid-19 in April and May 2021. The CEA expected about 11.47 GW power capacity addition during the year. During 2021-22 (upto January 2022), the share of renewable energy generation increased to 22.9% and share of non-fossil generation increased to 26.0%. The total generation (excluding Bhutan import) during 2021-22 (upto January 2022) was 1227.0 BU as against the actual generation of 1129.3 BU during the same period in the previous year. The country had 41123.5 MW under construction out of which 28460 MW was thermal and 12663.5 MW hydro. India's renewable installed capacity was more than 152 GW - 78 GW was under installation and 25 GW under bidding.

For FY2021-22, the Ministry of Power approved the gross generation programme of 1,521 Billion Units. Thermal energy was expected to generate 1,155 BU or 76% of the overall generation. Renewable energy sources were expected to generate 165 BU or 11% of the total generation. Hydro and nuclear energy sources were expected to contribute 149.54 BU and 43.02 BU respectively in FY2021-22.

The Indian power sector is going through a major change that has redefined the outlook of the industry. Moreover, sustained economic growth continues to drive forward the demand for electricity in India. Over the succeeding years, many Indian households are expected to purchase appliances, air conditioning units and vehicles. India is all set to become the world's most populous country by 2027. The country adds electricity equal to that of Los Angeles to its urban population each year. The Government of India's focus on attaining 'Power for all' has boosted capacity addition in the country. At the same time, the intensity of competition is growing at the market and supply sides (fuel, logistics, finances, and manpower). (Source: IBEF, Mercom India, Ministry of Power)

Outlook

A roadmap to achieve 227 GW capacity in renewable energy (including 114 GW of solar power and 67 GW of wind power) by 2022, was released by the Government of India. Moreover, the Union Government of India is preparing a 'rent a roof' policy to support its target of 40 gigawatts (GW) power generation via solar rooftop projects by the year 2022. The coal-based power-generation capacity in the country that currently stands at 202.41 GW is anticipated to witness a total installed capacity addition of 47.86 GW by 2022.

Indian power transmission sector overview

India's transmission capacity has usually lagged its power generation capacity. There has been an increasing momentum to broaden India's transmission network in accordance with increased electricity generation, growing electricity demand, development of fresh urban and semi-urban clusters coupled with the evolution of new electricity generation spots (mainly renewable energy).

India's transmission line capacity was pegged at 4.52 lacs circuit kilometers and inter-regional power transfer capacity of 1,12,250 MW as on 31st December 2021. In FY2021-22, the country added 10,619 circuit kilometres and 54,298 MVA of fresh transformation capacity till 31st December 2021. A greater capacity will be mandated by the power transmission sector to transmit power from the renewable-rich regions to the rest of the nation. Grid digitalisation will enable the bidirectional flow of information and power. Besides, the utility-scale energy storage, being able to act as load or as supply, could play a significant role in improving system flexibility.

The country's national transmission grid requires greater advancements to accelerate the adoption of renewable energy. This is necessary for India to accomplish its aspiring renewable energy target of 175 GW by 2022, increasing to 450GW by 2030. India possesses substantial renewable energy resources, which are irregularly spread. The demand from the States with scarce renewable energy was met by States with vast renewable energy capacities, validating the broadening of the national transmission network. Even with a sporadic presence of renewable energy in the country, balance was required from culminating power supply, electricity storage coupled with robust interstate grid connectivity. The intricacies of India's grid demonstrate that transmission network deficiency could affect the adoption of renewable energy. Moreover, there was an increasing risk that renewable energy utilisation could be sub-optimal with lack of grid discipline and an advanced transmission network.

Growing competition in the transmission sector was expected to guide the country towards enhancing renewable energy generation without these assets becoming dispersed. The growing participation of new transmission players is catalyzing the reduction of construction costs, initiating updated technologies and encouraging the completion of projects within the stipulated time frame. This had increased the country's accessibility of global debt and equity. On top of that, the increased valuation of certain transmission sector companies was an indication of the way a supportive regulatory foundation can increase capital investments for the transformation of India's electricity system. The private sector is playing a pivotal role by infusing substantial capital at a low cost for creating transmission networks, capitalizing on record low global interest rates with reduced risk and extended infrastructure yields. It would also free up state governments' finite resources, which could now be allocated for strengthening other social sectors like health or education.

Many States can aim to transform from being net electricity importing to net exporters of low cost, zero pollution, zero-emissions electricity through substantial transmission planning with vast renewable energy investments in planning. Besides, ambitious distributed hybrid projects for the ideal utilization of the transmission network is estimated to reduce the transmission tariff as the costs will be divided across an increasing stream of energy units (Sources: IEEFA, PV magazine, Ministry of Power)

India's transmission line capacity addition

Year	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Cumulative capacity (in circuit kilometers)	3,90,970	4,13,407	4,25,071	4,41,821	4,52,440*

*Up to 31st December 2021 (Source: National Power Portal, Ministry of Power)

India's transformation capacity addition

Year	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Cumulative capacity (in MVA)	8,26,958	8,99,663	9,67,893	10,25,468	10,79,766*

*Up to 31st December 2021 (Source: National Power Portal, Ministry of Power)

Government initiatives

Revamped Distribution Sector Scheme (RDSS): On June 2021, the Cabinet Committee on Economic Affairs approved the Revamped Distribution Sector Scheme - a reforms-based and results-linked scheme with an allocation ₹3,03,758 crore and a gross budgetary support of ₹97,631 crore from Government of India over a period of five years from FY 2021-22 to FY 2025-26. The main objective of the scheme is to reduce the AT&C losses to pan-India levels of 12-15% and ACS-ARR gap to zero by 2024-25.

Ujjwal Discom Assurance Yojna (UDAY): UDAY is a scheme for the financial recovery of Power Distribution Companies (DISCOMs) started in November, 2015 with the aim to enhance the operational & financial effectiveness of the State Power Distribution Companies (DISCOMs). The electricity distribution companies of India (DISCOMs) are dragging in eradicating the gap between the average cost of supply and realised revenue (ACS-ARR gap). The Ujjwal Discom Assurance Yojana (UDAY) is expected to achieve a financial recovery for discoms.

24x7 - Power for All: This is a joint Initiative of the Government of India (GoI) and State Governments with the objective to provide 24x7 power to all households, industry, commercial businesses, public needs, any other electricity consuming entity and adequate power to agriculture farm holding.

DeenDayal Upadhyaya Gram Jyoti Yojana (DDUGJY): It is designed to provide continuous power supply to the entire rural India (village electrification). It is one of the key initiatives of Government of India and a flagship programme of the Ministry of Power. The DDUGJY can benefit rural households significantly as electricity is vital for growth and development of the country.

Integrated Power Development Scheme (IPDS): On December, 2014, Ministry of Power, Government of India notified Integrated Power Development Scheme (IPDS) for reinforcing the power sub-transmission and distribution networks in urban areas. The primary aim of the scheme is reinforcing sub-transmission and distribution networks in the urban areas, metering distribution transformers / feeders / consumers, Enterprise Resource Planning (ERP), IT enablement of balance urban towns, Real Time-Data Acquisition System (RT-DAS) projects etc. Projects worth ₹30,904 crore were sanctioned under IPDS and a grant of ₹16,478 was released till November 2021 under IPDS. Distribution system - reinforcing projects in 524 circles were completed.

Saubhagya Scheme: Saubhagya scheme was initiated in 2017 with the aim to achieve universal household electrification for offering electricity connections to all un-electrified households in the rural areas and urban areas across the country. As on March 2021, all States registered 100% electrification of all the willing un-electrified households under this scheme. As on March, 2021, 2.817 crore households had been electrified since the launch of the scheme.

Budget allocation: The Union Budget for 2022-23 provided a Budgetary allocation of ₹3,365 for the solar power sector, comprising grid interactive and off-grid projects, a 29% growth compared to the previous ₹2,606 crore provided in the expenditure Budget document for 2022-23. The allocation for grid-interactive solar power projects at ₹3,304 crore accounted for 63% of the total Budgetary allocation of ₹5,206 crore for solar energy programmes. This consisted of an allocation in solar off-grid with ₹61 crore, PM-KUSUM with ₹1,715 crore, other renewable energy applications with ₹0.1 crore and interest payment and issuing expenses on the bonds with a ₹124 crore allocation. The total allocation for the wind energy projects in FY2022-23 stood at ₹1,050 crore, contraction of 4.7% from ₹1,102 crore for the previous financial year. (Source: Economic Times)

National Hydrogen Energy Mission: The Union Budget for 2021-22 announced a National Hydrogen Energy Mission (NHM) that is expected to create a road map for using hydrogen as an energy source. (Source: PIB)

Growth drivers

Growing population: India is expected to surpass China as the most populous country by 2027. Moreover, the country's population is expected to increase and reach 1.52 billion by 2036, leading to an increased demand for power transmission in the country.

Urbanisation: The country is expected to witness a vast increase in its urban population on account of the anticipated rise in population. The country's urban population is expected to reach 60 crore by 2030, accounting for 40y of the total population.

Renewable energy targets: The growing urgency in steering the global response to climate change is a significant idea for the country. When compared to world's greenhouse gas emissions, India's contribution seems to be negligible, but its contributions have become crucial with time. India is anticipated to increase its energy efficiency with the aim of achieving 450 GW of renewable energy capacity by 2030.

Green Energy Corridors: The Government initiated two schemes to develop highways for renewable power transmission, which is the Green Energy corridor I and the Green Energy Corridor II. Up-graded technologies or systems were executed in the Green Energy Corridor projects to enhance grid stability. Besides, the country utilized Static var compensator (SVCs) and STATic synchronous COMpensator (STATCOMs) to enhance power quality by ascertaining stabilised voltage levels and advancing in the power transfer capability of the transmission line.

Growing inter-regional demand-supply gap: The gap between demand and supply across regions are getting broader as load centres are located apart from conventional generation centres.

Ancient infrastructure: India, being the second largest market after China for transmission infrastructure, required installation of new transmission and distribution infrastructure to match ongoing trends in addition to the replacement of legacy infrastructure.

Growing private sector investments: The Indian power sector witnessed a paradigm shift due to growing private sector investments estimated at a little less than 50%. (Source: The wire, IEA, Economic Times, Livemint, India Today)

Financial overview

Operational revenues: During FY2021-22, operational revenue stood at ₹10,184 crores as against ₹8,840 crores in FY2020-21.

Interest and finance costs: Net interest and finance costs increased by 11% in FY2021-22.

Profit after tax: The Company reported a profit after tax of ₹1,235.75 Crore in FY2021-22 compared to ₹1,289.57 Crore in the preceding year.

Key ratios

Particulars	2021-22	2020-21
Debt-equity ratio	2.71	2.68
Return on equity/Net worth (%)	16.32	19.14
Book value per share (₹)	72.29	65.40
Earnings per share (₹)	8.9	9.02

FY 22 includes ₹252 Crore past year arears related to MERC and CERC order. FY 21 includes one-time income of ₹329.52 Crore recognised during the year based on the APTEL order related to April 2015 to March 2020

Company overview

The Adani Group entered the power transmission segment in 2006, much ahead of the official foundation of Adani Transmission Limited (ATL). The company was formed due to power evacuation requirements for Adani's Mundra thermal power plant. The lines developed for the evacuation of power extended to more than 3,800 ckt kms with connections from Mundra to Dehgam, Mundra to Mahendragarh and Tiroda to Warora.

Consequently, another line encompassing more than 1200 ckm was conceived in 2014 from Adani's Tiroda power plant. In 2015, identifying the vast capacity for headwind growth in the transmission sector, Adani Transmission Limited (ATL) demerged from Adani Enterprises Limited (AEL) to capitalize on wider opportunities in the national power transmission sector. ATL depended on numerous inorganic growth possibilities and acquired GMR's transmission assets in Rajasthan in 2016, Reliance Infrastructure's transmission assets in Gujarat, Madhya Pradesh and Maharashtra in 2017 and KEC's Bikaner-Sikar transmission asset in Rajasthan in 2019.

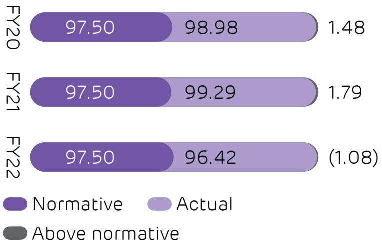
ATL entered the power distribution segment following the acquisition of Reliance Infrastructure's power generation, transmission and distribution business in 2018. Adani Electricity Mumbai Limited enjoys a distribution network of over 400 square kms, offering services to over 3 million customers in Mumbai suburbs and Thane district. ATL is India's largest private transmission company with a portfolio of around ~18,795 ckt kms of transmission lines and more than 40,001 MVA of power transmission capacity. The company has an ambitious target to possess 30,000 ckm transmission assets and achieve distribution capacity 4.5 MVA per customer by 2026.

Operating history

ATL earned incentive payments for maintaining network availability above regulatory requirements, i.e. average availability of 99.70% in FY22.

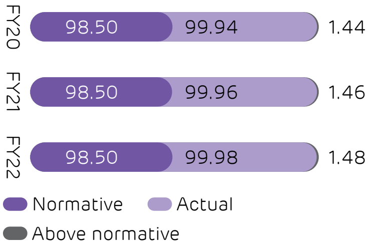
±500 kV Mundra-Mahendragarh HVDC Transmission System (ATIL - Asset-1 HVDC)

(%) Availability



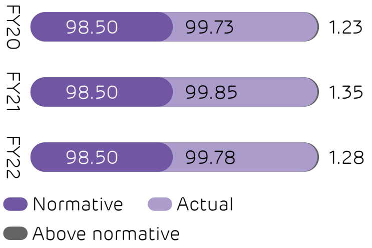
±500 kV Mundra-Mahendragarh HVAC Transmission System (ATIL - Asset-1 HVAC)

(%) Availability



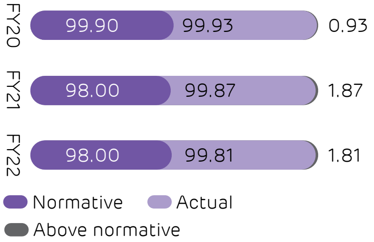
400 kV Mundra-Sami-Dehgam Transmission System (ATIL - Asset 2 HVAC)

(%) Availability



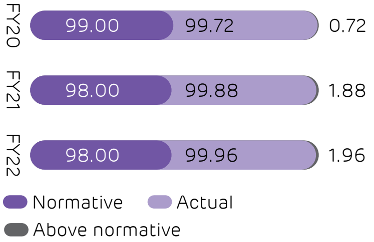
400 kV Tiroda-Warora Transmission System (ATIL - TW)

(%) Availability



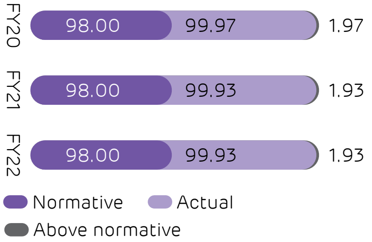
Maharashtra Eastern Grid Power Transmission Company Ltd. (MEGPTCL)

(%) Availability



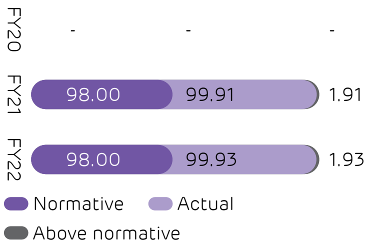
Chhattisgarh–WR Transmission Ltd. (CWRTL)

(%) Availability



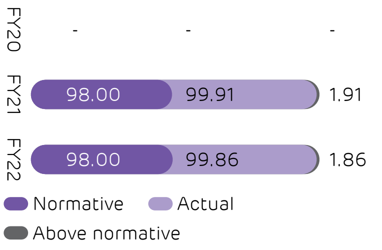
Raipur-Rajnandgaon-Warora Transmission Ltd. (RRWTL)

(%) Availability



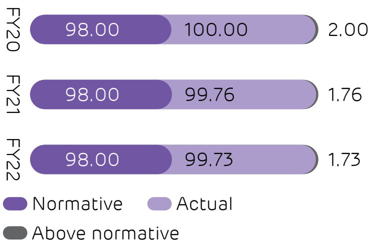
Sipat Transmission Ltd. (STL)

(%) Availability



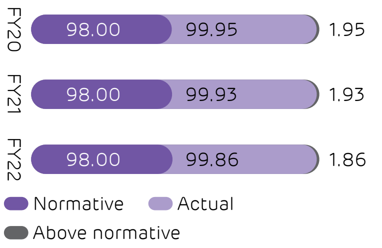
Western Transmission (Gujarat) Ltd. (WTGL)

(%) Availability



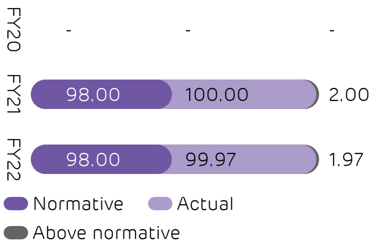
Western Transco Power Ltd. (WTPL)

(%) Availability



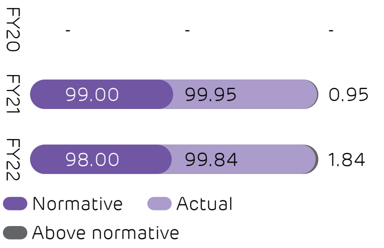
Adani Transmission Bikaner Sikar Private Ltd. (ATBSPL)

(%) Availability



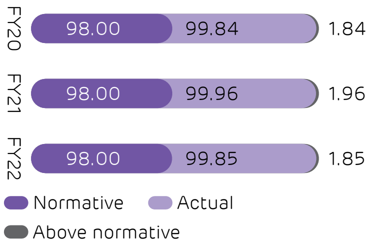
Adani Transmission (Rajasthan) Ltd. (ATRL)

(%) Availability



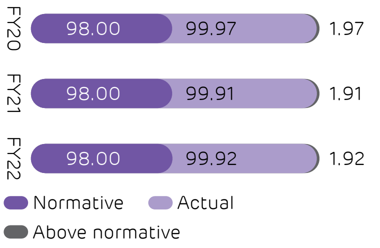
Aravali Transmission Service Company Ltd. (ATSCL)

(%) Availability



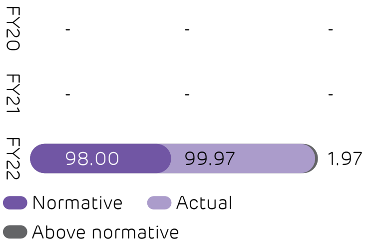
Maru Transmission Service Company Ltd. (MTSCL)

(%) Availability



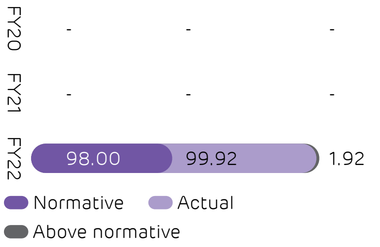
Alipurduar Transmission Ltd. (ATL)

(%) Availability



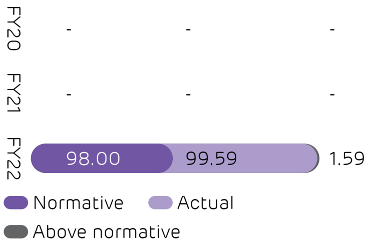
Warora Kurnool Transmission Limited (WKTL)

(%) Availability



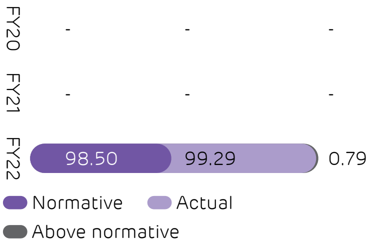
Ghatampur Transmission Limited (GTL)

(%) Availability



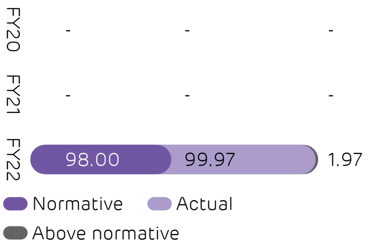
Obra - C Badaun Transmission Limited (OBTL)

(%) Availability



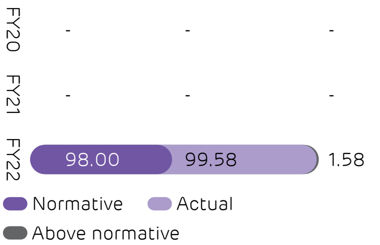
Fatehgarh Bhadla Transmission Limited (FBTL)

(%) Availability



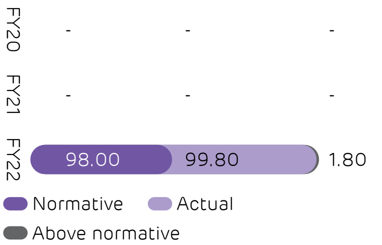
North Karanpura Transco Limited (NKTL)

(%) Availability



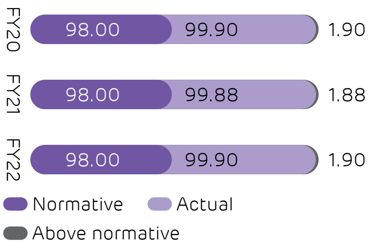
Bikaner-Khetri Transmission Limited (BKTL)

(%) Availability



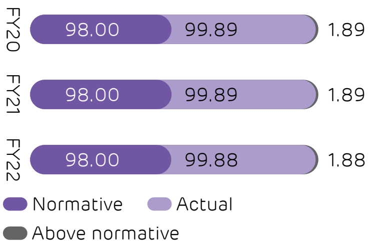
PPP-8 Hadoti Power Transmission Service Ltd. (HPTSL)

(%) Availability



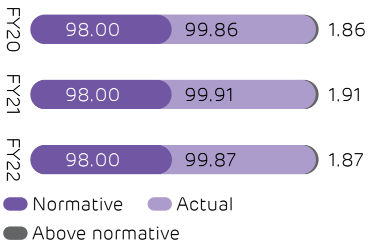
PPP-9 Barmer Power Transmission Service Ltd. (BPTSL)

(%) Availability



PPP-10 Thar Power Transmission Service Ltd. (TPTSL)

(%) Availability



Human resources

ATL's human resource practices helped reinforce market leadership. The Company invested in formal and informal training as well as on-the-job learning. It emphasised engagements with employees by providing an enriched workplace, challenging job profile and regular dialogues with the management. The Company enjoys one of the highest employee retention rates in the industry; it creates leaders from within, strengthening prospects. The Company's employee base stood at 11,178 as on 31st March, 2022.

Internal control systems and their adequacy

The Company had strong internal control procedures in place that were commensurate with its size and operations. The Board of Directors, responsible for the internal control system, set the guidelines and verified adequacy, effectiveness and application. The Company's internal control system was designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets. This was to timely identify and manage the Company's risks (operational, compliance-related, economic and financial).

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations.

Annexure to the Directors' Report

Corporate Governance Report

1. Company's Philosophy on Corporate Governance

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. Adani Transmission Limited ("the Company/ ATL") is equipped with a robust framework of corporate governance that considers the long-term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. The framework lays down procedures and mechanisms for enhancing leadership for smooth administration and productive collaboration among employees, value chain, community, investors and the Government.

Courage, **Trust** and **Commitment** are the main tenets of our Corporate Governance Philosophy -

- **Courage**: We shall embrace new ideas and businesses.
- **Trust**: We shall believe in our employees and other stakeholders.
- **Commitment**: We shall standby our promises and adhere to high standards of business.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavor to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations"), as applicable.

2. Board of Directors ("BOARD")

The Board, being the trustee of the Company, is responsible for the establishment of cultural, ethical and accountable growth of the Company and constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities.

Composition of the Board

The Company has a balanced Board with optimum combination of Executive and Non-Executive Independent Directors, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

The Board currently comprises of 7 (seven) Directors out of which 3 (three) Directors are Executive Directors and remaining 4 (four) are Independent Directors including two Independent Women Directors. The Independent Directors are Non-Executive Directors, as defined under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time.

The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("the Act"). All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time and Section 149 of the Act.

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

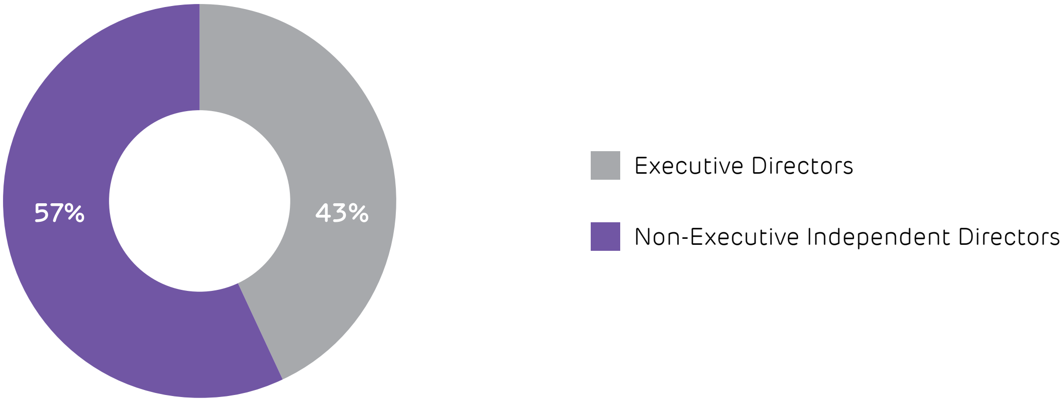
The Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

None of the Directors is a director in more than 10 (ten) public limited companies or acts as an independent director in more than 7 (seven) listed companies. Further, none of the Directors on the Company's Board is a member of more than 10 (ten) committees and chairperson of more than 5 (five) committees (committees being, audit committee and stakeholders' relationship committee) across all the companies in which he/ she is a Director.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations, which requires that for a company with a chairman, who is a promoter, at least half of the board shall consist of independent directors and the board of directors of the top 1,000 listed companies, effective 1st April, 2020, shall have at least one independent woman director.

The composition of Board as on 31st March, 2022.

Board Composition



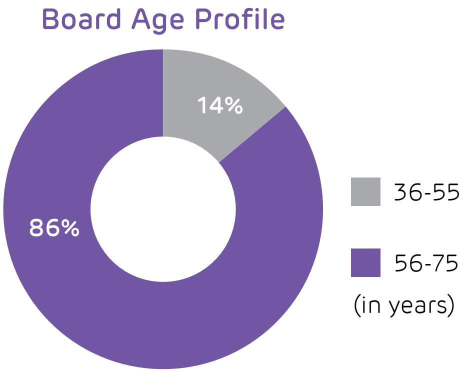
The compilation of the Board and the number of directorships and committee position held by the Directors as on 31st March, 2022, are as under -

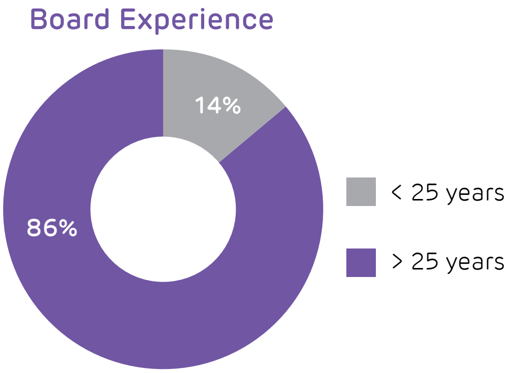
Name, Designation &DIN of Director	Age & Date of appointment	Category	No. of other Directorships held[1] (Other than ATL)	No. of Board Committees[2] (other than ATL) in which Chairman / Member.	
				Chairman	Member
Mr. Gautam S. Adani, Chairman (DIN: 00006273)	59 Years, 17.06.2015	Promoter Executive	5	-	-
Mr. Rajesh S. Adani, Director (DIN: 00006322)	57 Years, 17.06.2015	Promoter Executive	4	-	2
Mr. Anil Sardana, Managing Director & CEO (DIN: 00006867)	63 Years, 10.05.2018	Executive Director	6	-	-
Mr. K. Jairaj, Director (DIN: 01875126)	70 Years, 17.06.2015	Non-Executive (Independent)	8	2	4
Dr. Ravindra H. Dholakia, Director (DIN: 00069396)	69 Years, 26.05.2016	Non-Executive (Independent)	3	1	-
Mrs. Meera Shankar, Director (DIN: 06374957)	71 Years, 17.06.2015	Non-Executive (Independent)	3	-	-
Mrs. Lisa Caroline MacCallum, Director (DIN: 09064230)	50 Years, 30.11.2021	Non-Executive (Independent)	-	-	-

Notes :

1. The directorships held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, companies under Section 8 of the Act and private limited companies which are not the subsidiaries of Public Limited Companies.
2. Represents Membership / Chairmanship of two committees viz. audit committee and stakeholders' relationship committee as per Regulation 26 of the SEBI Listing Regulations.
3. As on 31st March, 2022, none of the Directors of the Company were related to each other except Mr. Rajesh S. Adani, Director being a brother of Mr. Gautam S. Adani, Chairman.

Board Age profile and Board Experience is as under:





Profile of the Directors is available on the website of the Company at https://www.adanitransmission.com/about-us/board-of-directors.

Details of other listed entities where the Directors of the Company are directors as on 31st March, 2022 are as under:

Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Gautam S. Adani (DIN: 00006273)	Adani Ports and Special Economic Zone Limited	Promoter Executive
	Adani Enterprises Limited	Promoter Executive
	Adani Total Gas Limited	Promoter Non-Executive
	Adani Power Limited	Promoter Non-Executive
	Adani Green Energy Limited	Promoter Non-Executive
Mr. Rajesh S. Adani (DIN: 00006322)	Adani Ports and Special Economic Zone Limited	Promoter Non-Executive
	Adani Enterprises Limited	Promoter Executive
	Adani Power Limited	Promoter Non-Executive
	Adani Green Energy Limited	Promoter Non-Executive
Mr. Anil Sardana (DIN: 00006867)	Adani Power Limited	Executive
Dr. Ravindra H. Dholakia (DIN: 00069396)	Gujarat State Fertilizers & Chemicals Limited	Non-Executive Independent
	Gujarat Industries Power Company Limited	Non-Executive Independent
Mr. K. Jairaj (DIN:01875126)	PCBL Limited	Non-Executive Independent
	RPSG Ventures Ltd. (earlier CESC Ventures Limited)	Non-Executive Independent
Mrs. Meera Shankar (DIN: 06374957)	ITC Limited	Non-Executive Independent
	Pidilite Industries Limited	Non-Executive Independent
	JK Tyre& Industries Limited	Non-Executive Independent
Mrs. Lisa Caroline MacCallum (DIN: 09064230)	---	---

Board Meetings and Procedure

The internal guidelines for Board / Committee meetings facilitate the decision making process at the meetings of the Board/Committees in an informed and efficient manner.

Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is circulated along with agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. In order to transact some urgent business, which may come up after circulation agenda papers, the same is placed before the Board by way of table agenda or Chairman's agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board / Committee meetings covering finance, major business segments and operations of the Company, terms of reference of the Committees, global business environment, key business areas of the Company including business opportunities, business strategy and the risk management practices, before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company, as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee, for noting by the Board / Committee.

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted, all the Board/ Committee meetings in FY 2021-22 were held through video conferencing.

During the year under review, Board met five times i.e on 6th May, 2021, 5th August, 2021, 6th September, 2021, 29th October, 2021 and 3rd February, 2022.

The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The details of attendance of Directors at the Board Meetings and at the last Annual General Meeting held on 13th July, 2021, are as under:

Name of Director(s)	Number of Board Meetings held and attended during FY 2021-22		Attended Last AGM	% of Attendance
	Held during the tenure	Attended		
Mr. Gautam S. Adani	05	05	Yes	100%
Mr. Rajesh S. Adani	05	05	Yes	100%
Mr. Anil Sardana	05	05	Yes	100%
Mr. K. Jairaj	05	05	Yes	100%
Dr. Ravindra H. Dholakia	05	05	Yes	100%
Mrs. Meera Shankar	05	05	Yes	100%
Mrs. Lisa Caroline MacCallum[1]	01	01	N.A.	100%

1. Appointed as an Additional Director (Non-Executive & Independent)w.e.f. 30thNovember, 2021.

During the year, the Board accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board. Hence, the Company is in compliance of condition of clause 10(j) of Schedule V of the SEBI Listing Regulations.

Skills / expertise competencies of the Board of Directors:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.
Risk Management	Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.
Global Experience	Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.
Merger & Acquisition	Ability to assess 'build or buy' & timing of decisions, analyze the fit of a target with the Company's strategy and evaluate operational integration plans
Corporate Governance & ESG	Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the Company and protecting stakeholders' interest.
Technology & Innovations	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data centre, data security etc.

In the table below, the specific areas of focus or expertise of individual board members have been highlighted.

Name of Director	Areas of Skills/ Expertise						
	Business Leadership	Financial Expertise	Risk Management	Global Experience	Corporate Governance & ESG	Merger & Acquisition	Technology & Innovation
Mr. Gautam Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Rajesh Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Anil Sardana	✓	✓	✓	✓	✓	✓	✓
Mr. K. Jairaj	-	✓	✓	✓	✓	✓	✓
Dr. Ravindra Dholakia	-	✓	✓	✓	✓	✓	✓
Mrs. Meera Shankar	-	✓	✓	✓	✓	✓	✓
Mrs. Lisa Caroline MacCallum	✓	✓	✓	✓	✓	✓	✓

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

Directors' selection, appointment, induction and familiarisation:

As per the delegation given by the Board to the Nomination and Remuneration Committee (NRC) of the Company, consisting exclusively of independent directors, the NRC screens and selects the suitable candidates, based on the defined criteria and makes recommendations to the Board on the induction of new directors. The Board appoints the director, subject to the shareholders' approval.

All new directors are taken through a detailed induction and familiarization program when they join the Board of the Company. The induction program is exhaustive covering the history and culture of Adani Group, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

Deep dives and immersion sessions are conducted by senior executives on their respective business unit / functions. Key aspects that are covered in these sessions include:

- Industry / market trends
- Company's operations including those of major subsidiaries
- Growth Strategy
- ESG Strategy and performance

Meeting of Independent Directors:

The Independent Directors met on 28th March, 2022, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Confirmation as regards independence of Independent Directors

In the opinion of the Board, all the existing Independent Directors and the one who are proposed to be appointed/ re-appointed at the ensuing AGM, fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management.

Remuneration Policy:

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavours to attract, retain, develop and motivate the high-calibre executives and to incentivize them to develop and implement the Group's strategy, thereby enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

i) Remuneration to Non-Executive Directors

Non-Executive Directors are paid ₹50,000/- as sitting fees for attending meeting of Board of Directors & Audit Committee and ₹25,000/- for attending other Committee meeting, along with actual reimbursement of expenses, incurred for attending each meeting of the Board and Committees.

Other than sitting fees paid to Non-Executive Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive and Independent Directors of the Company. The Company has not granted stock options to Non- Executive and Independent Directors.

The Company has taken a Directors' & Officers' Liability Insurance Policy.

ii) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement. The details of evaluation are captured in the Directors' Report, which forms part of this Annual Report.

iii) Remuneration to Executive and Promoter group Directors:

The Executive and Promoter group Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committees.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of Chairman and Whole-time Directors.

The Company has not granted stock options to the Executive Directors or employees of the Company.

Details of Remuneration:

i) Non-Executive and Independent Directors:

The details of sitting fees paid to Non-Executive and Independent Directors during the financial year 2021-22 are as under:

(₹ In Lakhs)

Name of the Directors	Sitting Fees paid during FY 2021-22		Total	No. of Shares held as on 31st March, 2022
	Board Meeting	Committee Meeting		
Mr. K. Jairaj	2.50	7.00	9.50	-
Dr. Ravindra H. Dholakia	2.50	6.00	8.50	-
Mrs. Meera Shankar	2.50	5.00	7.50	-

ii) Executive Directors

None of the Executive Directors of the Company are drawing any remuneration from the Company.

Mr. Gautam S. Adani and Mr. Rajesh S. Adani (on behalf of S.B. Adani Family Trust) and Mr. Gautam S. Adani and Mrs. Priti G. Adani (on behalf of Gautam S. Adani Family Trust) hold 62,11,97,910 and 88,36,750 Equity Shares of the Company, respectively. Mr. Gautam S. Adani and Mr. Rajesh S. Adani hold 1 (one) Equity Share each of the Company in their individual capacity.

Notes on Directors appointment / re-appointment

Mr. Gautam S. Adani, Director is retiring at the ensuing AGM and being eligible, offers himself for re-appointment.

The NRC has recommended and the Board has appointed Mrs. Lisa Caroline MacCallum as an Independent Director (Non-Executive) for a first term of three years upto 30th November, 2024, subject to approval of the shareholders, at the ensuing AGM.

The brief resume and other information required to be disclosed under this section is provided in the Notice convening the ensuing AGM.

3. Committees of the Board

The Board Committees play a vital role in ensuring sound corporate governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

As on 31st March, 2022, the Board has constituted the following Committees / Sub-committees:

I. Statutory Committees

A. Audit Committee
B. Nomination and Remuneration Committee
C. Stakeholders' Relationship Committee
D. Corporate Social Responsibility Committee
E. Risk Management Committee ("RMC")
F. Securities Transfer Committee

II. Non-Statutory Committees

With an objective of further strengthen the governance standards so as to match with internationally accepted better practices, the Board has constituted following additional Committees / Sub-committees -

G. Corporate Responsibility Committee
H. Public Consumer Committee
I. Information Technology & Data Security
J. Mergers & Acquisitions Committee (Sub-committee of RMC)
K. Legal, Regulatory & Tax Committee (Sub-committee of RMC)
L. Reputation Risk Committee (Sub-committee of RMC)

I. Statutory Committees

A. Audit Committee

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. A detailed charter of the Audit Committee is also available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters

As on 31st March, 2022, the Audit Committee comprise solely of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

Terms of Reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Act. The brief terms of reference of Audit Committee are as under:

SN	Terms of Reference	Frequency
1.	To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible	Q
2.	To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the company	P
3.	To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof	A
4.	To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:	
	A. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013	A
	B. Changes, if any, in accounting policies and practices and reasons for the same	Q
	C. Major accounting entries involving estimates based on the exercise of judgment by the management	Q
	D. Significant adjustments made in the financial statements arising out of audit findings	Q
	E. Compliance with listing and other legal requirements relating to financial statements	Q
	F. Disclosure of any related party transactions	Q
	G. Modified opinion(s) in the draft audit report	A
5.	To review, with the management, the quarterly financial statements before submission to the board for approval	Q
6.	To review, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter	P
7.	To review and monitor the Auditor's independence and performance, and effectiveness of audit process	Q
8.	To approve or any subsequent modification of transactions of the company with related parties	P
9.	To scrutinise inter-corporate loans and investments	Q
10.	To undertake valuation of undertakings or assets of the company, wherever it is necessary	P
11.	To evaluate internal financial controls and risk management systems	Q
12.	To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems	Q

SN	Terms of Reference	Frequency
13.	To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit	A
14.	To discuss with internal auditors of any significant findings and follow up there on	Q
15.	To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board	Q
16.	To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern	Q
17.	To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors	Q
18.	To review the functioning of the Whistle Blower mechanism	Q
19.	To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate	P
20.	To review financial statements, in particular the investments made by the Company's unlisted subsidiaries	Q
21.	To review compliance with the provisions of SEBI Insider Trading Regulations and verify that the systems for internal control are adequate and are operation effectively	Q
22.	To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments	Q
23.	To oversee the company's disclosures and compliance risks, including those related to climate	Q
24.	To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders	P
25.	To review key significant issues, tax and regulatory / legal report which is likely to have significant impact on financial statements and management's report on actions taken thereon	P
26.	To discuss with the management regarding pending technical and regulatory matters that could affect the financial statements and updates on management's plans to implement new technical or regulatory guidelines	Q
27.	To review and recommend to the Board for approval – Business plan, Budget for the year and revised estimates	A
28.	To review Company's financial policies, strategies and capital structure, working capital and cash flow management	H
29.	To ensure the Internal Auditor has direct access to the Committee chair, providing independence from the executive and accountability to the committee	Q
30.	To review the treasury policy & performance of the Company, including investment of surplus funds and foreign currency operations	A
31.	To review management discussion and analysis of financial condition and results of operations	A
32.	To review, examine and deliberate on all the concerns raised by an out-going auditors and to provide views to the Management and Auditors	P
33.	To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable	P

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

Composition, Meetings and Attendance of the Audit Committee

During the FY 2021-22, five meetings of the Audit Committee were held i.e. on 6th May, 2021, 5th August, 2021, 6th September, 2021, 29th October, 2021 and 3rd February, 2022. The intervening gap between two meetings did not exceed 120 (one hundred twenty) days.

The details of the Audit Committee meetings attended by its members during FY 2021-22 are given below:

Sr. No	Name and Designation(s)	Category	Number of meetings held during FY 2021-22		% of Attendance
			Held	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	05	05	100%
2.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	05	05	100%
3.	Mrs. Meera Shankar, Member	Non-Executive & Independent Director	05	05	100%

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The Audit Committee meetings are attended by the Internal Auditors, Statutory Auditors and Chief Financial Officer.

The minutes of the Audit Committee Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

The Chairman of the Audit Committee attended the last AGM held on 13th July, 2021 to answer the shareholders' queries.

B. Nomination and Remuneration Committee

As on 31st March 2022, all the members of the Nomination and Remuneration Committee (NRC) were Independent Directors. A detailed charter of the NRC is also available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters.

Terms of reference:

The powers, role and terms of reference of NRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of NRC are as under:

SN	Terms of Reference	Frequency
1.	To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees	A
2.	To formulate criteria for & mechanism of evaluation of Independent Directors and the Board of directors	A
3.	To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance	A
4.	To devise a policy on diversity of Board of Directors	P
5.	To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal	P
6.	To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors	A
7.	To review and recommend remuneration of the Managing Director(s) / Whole-time Director(s) based on their performance	A
8.	To recommend to the Board, all remuneration, in whatever form, payable to senior management	A
9.	To review, amend and approve all Human Resources related policies	A

SN	Terms of Reference	Frequency
10.	To ensure that the management has in place appropriate programs to achieve maximum leverage from leadership, employee engagement, change management, training & development, performance management and supporting system	A
11.	To oversee workplace safety goals, risks related to workforce and compensation practices	A
12.	To oversee employee diversity programs	A
13.	To oversee HR philosophy, people strategy and efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, KMP and Senior Management)	A
14.	To oversee familiarisation programme for Directors	A
15.	To recommend the appointment of one of the Independent Directors of the Company on the Board of its Material Subsidiary	P
16.	To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable	P

Frequency **A** Annually **P** Periodically

Composition, Meetings & Attendance of the Nomination & Remuneration Committee

During FY 2021-22, five meetings of the NRC were held i.e. on 6th May, 2021, 5th August, 2021, 6th September, 2021, 29th October, 2021 and 3rd February, 2022.

The details of the NRC meetings attended by its members during FY 2021-22 are given below:

Sr. No	Name and Designation(s)	Category	Number of meetings held during FY 2021-22		% of Attendance
			Held	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	05	05	100%
2.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	05	05	100%
3.	Mrs. Meera Shankar, Member	Non-Executive & Independent Director	05	05	100%

The minutes of NRC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

C. Stakeholders' Relationship Committee

The Stakeholders Relationship Committee (SRC) comprise of four members, with a majority of independent directors. A detailed charter of the SRC is also available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters

Terms of Reference:

The powers, role and terms of reference of SRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of SRC are as under:

SN	Terms of Reference	Frequency
1.	To look into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.	Q
2.	To review the measures taken for effective exercise of voting rights by shareholders	A
3.	To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent	A

SN	Terms of Reference	Frequency
4.	To review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company	Q
5.	To review engagement programs with investors, proxy advisors, etc. and to oversee investors movement (share register)	Q
6.	To review engagement with rating agencies (Financial, ESG etc.)	H
7.	To oversee statutory compliance relating to all the securities issued, including but not limited to dividend payments, transfer of unclaimed dividend amounts / unclaimed shares to the IEPF	A
8.	To suggest and drive implementation of various investor-friendly initiatives	H
9.	To approve and register transfer and / or transmission of securities, issuance of duplicate security certificates, issuance of certificate on rematerialization and to carry out other related activities	P
10.	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable	P

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

Composition, Meetings and Attendance of Stakeholders' Relationship Committee

During the FY 2021-22, four meetings of the SRC were held i.e. on 6th May, 2021, 5th August, 2021, 29th October, 2021 and 3rd February, 2022.

The details of the SRC Meetings attended by its members during FY 2021-22 are given below:

Sr. No	Name and Designation(s)	Category	Number of meetings held during FY 2021-22		% of Attendance
			Held during the tenure	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	04	04	100%
2.	Mr. Rajesh S. Adani, Member	Executive Promoter	04	04	100%
3.	Mr. Anil Sardana, Member	Executive Director	04	04	100%
4.	Dr. Ravindra H. Dholakia, Member[1]	Non-Executive & Independent Director	01	01	100%

1. Appointed as member of the Committee w.e.f. 29th October, 2021.

The Company Secretary is the Compliance Officer of the Company as per requirements of the SEBI Listing Regulations.

The minutes of the SRC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

Redressal of Investor Grievances

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

During the year under review, no complaints were received. There was no unattended or pending investor grievance as on 31st March, 2022.

D. Corporate Social Responsibility ("CSR") Committee

As on 31st March 2022, the CSR Committee comprise of four members, with a majority of Independent Directors. A detailed charter of the CSR Committee is also available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters.

Terms of reference:

The powers, role and terms of reference of CSR Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of CSR Committee are as under:

SN	Terms of Reference	Frequency
1.	To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof	A
2.	To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy	A
3.	To recommend to the Board the amount of expenditure to be incurred on the CSR activities	A
4.	To monitor the implementation of framework of CSR Policy	A
5.	To review the performance of the Company in the areas of CSR	H
6.	To institute a transparent monitoring mechanism for implementation of CSR projects/ activities undertaken by the company	H
7.	To recommend extension of duration of existing project and classify it as on-going project or other than on-going project.	A
8.	To submit annual report of CSR activities to the Board	A
9.	To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, as applicable, to the Board	A
10.	To review and monitor all CSR projects and impact assessment report	A
11.	To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties	P

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

Composition, Meetings and Attendance of CSR Committee

During the financial year 2021-22, two meetings of CSR Committee were held i.e. on 6th May, 2021 and 3rd February, 2022.

The details of the CSR Committee meetings attended by its members during FY 2021-22 are given below:

Sr. No	Name and Designation(s)	Category	Number of meetings held during FY 2021-22		% of Attendance
			Held during the tenure	Attended	
1.	Mr. Rajesh S. Adani, Chairman[1]	Executive Promoter	01	01	100%
2.	Mr. K. Jairaj, Chairman[2]	Non-Executive & Independent Director	02	02	100%
3.	Mr. Anil Sardana, Member	Executive Director	02	02	100%
4.	Dr. Ravindra H. Dholakia, Member[3]	Non-Executive & Independent Director	01	01	100%
5.	Mrs. Meera Shankar, Member[3]	Non-Executive & Independent Director	01	01	100%

1. Ceased as Chairman and Member of the Committee w.e.f. 29th October, 2021.
2. Appointed as Chairman of the Committee w.e.f. 29th October, 2021.
3. Appointed as Member(s) of the Committee w.e.f. 29th October, 2021.

The minutes of the CSR Committee Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

Sustainability Governance

The Company has integrated sustainability into its core business strategy. To ensure smooth implementation of various measures across the organization, we have established a Sustainability Governance mechanism wherein at the pinnacle is the Board of Directors followed by Corporate Sustainability Leadership Committee which looks after the Sustainability Business Unit Committee who is responsible for Sustainability Reporting at each site. The Sustainability Report of the Company is available on the website of the Company at https://www.adanitransmission.com/sustainability/environment.

E. Risk Management Committee

As on 31st March, 2022, the Risk Management Committee (RMC) comprise of three members. A detailed charter of the RMC is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters.

The Board of Directors of the Company at its meeting held on 29th October, 2021 constituted the following committees as sub-committees of RMC as a part of good corporate governance practice –

- Mergers & Acquisitions Committee
- Legal, Regulatory & Tax Committee
- Reputation Risk Committee

Constitution, meetings and terms of reference and other details of above Sub-committees, are separately included as a part of this report.

Terms of reference:

The powers, role and terms of reference of RMC covers the areas as contemplated under Regulation 21 of the SEBI Listing Regulations. The brief terms of reference of RMC are as under:

SN	Terms of Reference	Frequency
1.	To review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan.	A
2.	To review and approve the Enterprise Risk Management ('ERM') framework	A
3.	To formulate a detailed risk management policy which shall include:	A
	a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cyber security risks or any other risk as may be determined by the Committee	
	b. Measures for risk mitigation including systems and processes for internal control of identified risks	
	c. Business continuity plan Oversee of risks, such as strategic, financial, credit, market, liquidity, technology, security, property, IT, legal, regulatory, reputational, and other risks	
	d. Oversee regulatory and policy risks related to climate change, including review of state and Central policies	
4.	To ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company	Q
5.	To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems	Q
6.	To review compliance with enterprise risk management policy, monitor breaches / trigger trips of risk tolerance limits and direct action	H
7.	To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity	A

SN	Terms of Reference	Frequency
8.	To consider appointment and removal of the Chief Risk Officer, if any, and review his terms of remuneration	P
9.	To review and approve Company's risk appetite and tolerance with respect to line of business	H
10.	To review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions	A
11.	To review and recommend to the Board various business proposals for their corresponding risks and opportunities	P
12.	To obtain reasonable assurance from management that all known and emerging risks has been identified and mitigated and managed	Q
13.	To form and delegate authority to subcommittee(s), when appropriate.	P
14.	To oversee suppliers' diversity	A
15.	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable	-

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

Composition, Meetings and Attendance of Risk Management Committee

During the financial year 2021-22, two meetings of RMC were held i.e. on 6th May, 2021 and 2nd February, 2022.

The details of the RMC meetings attended by its members during FY 2021-22 are given below:

Sr. No	Name and Designation	Category	Number of meetings held during FY 2021-22		% of Attendance
			Held during the tenure	Attended	
1.	Mr. K. Jairaj, Chairman[1]	Non-Executive & Independent Director	01	01	100%
2.	Mr. Rajesh S. Adani, Member	Executive Promoter	02	02	100%
3.	Dr. Ravindra H. Dholakia, Member[2]	Non-Executive & Independent Director	01	01	100%
4.	Mr. Anil Sardana, Member[3]	Executive Director	02	02	100%

1. Appointed as a member of the Committee w.e.f. 6th May, 2021 and as Chairman of the committee w.e.f. 29th October, 2021.
2. Appointed as a member of the Committee w.e.f. 29th October, 2021.
3. Ceased as the Chairman of the Committee w.e.f. 29th October, 2021.

The Company has a risk management framework to identify, monitor and minimize risks.

The minutes of the RMC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

F. Securities Transfer Committee

In order to provide efficient and timely services to investors, the Board has delegated the power of approving transfer/transmission of Company's securities, issue of duplicate share / debenture certificates, split up / sub-division, and consolidation of shares, issue of new certificates on re-materialization, sub-division and other related formalities to the Securities Transfer Committee.

No requests for transfers of any securities are pending as on 31st March, 2022 except those that are disputed and / or sub-judiced.

II. Non-Statutory Committees

G. Corporate Responsibility Committee

The Board at its meeting held on 29th October, 2021, constituted the Corporate Responsibility Committee (CRC). As on 31st March, 2022, all the members of the CRC comprise Independent Directors. A detailed charter of the Corporate Responsibility Committee is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters

Terms of reference:

SN	Terms of Reference	Frequency
1.	To define the Company's corporate and social obligations as a responsible citizen and oversee its conduct in the context of those obligations	A
2.	To approve a strategy for discharging the Company's corporate and social responsibilities in such a way as to provide an assurance to the Board and stakeholders	Q
3.	To oversee the creation of appropriate policies and supporting measures (including Public disclosure policy, Anti-money Laundering policy, Anti Bribery, Fraud & Corruption policies etc.) and map them to UNSDG and GRI disclosure standards	A
4.	To identify and monitor those external developments which are likely to have a significant influence on Company's reputation and/or its ability to conduct its business appropriately as a good citizen and review how best to protect that reputation or that ability	Q
5.	To review the Company's stakeholder engagement plan (including vendors / supply chain)	A
6.	To ensure that appropriate communications policies are in place and working effectively to build and protect the Company's reputation both internally and externally	A
7.	To review the Integrated Annual Report of the Company	A
8.	To review and direct for alignment of actions / initiatives of the Company with United Nations Sustainable Development Goals 2030 (UNSDG): 1. No poverty 2. Zero hunger 3. Good health & well being 4. Quality education 5. Gender equality 6. Clean water and sanitation 7. Affordance and clean energy 8. Decent work and economic growth 9. Industry, Innovation and Infrastructure 10. Reduced inequalities 11. Sustainable cities and communities 12. Responsible consumption and production 13. Climate action 14. Life below water 15. Life on land 16. Peace and justice strong intuitions 17. Partnerships for goals	A
9.	To review sustainability and / or ESG and / or Climate reports or other disclosures such as ethical governance, environmental stewardship, safety performance, water and energy use etc. and similar communications to stakeholders on ESG initiatives and activities by the Company and ensure mapping of the same to GRI disclosure standards	A

SN	Terms of Reference	Frequency
10.	To oversee strategies, activities and policies regarding sustainable organisation including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework	A
11.	To oversee ethical leadership, compliance with the Company's sustainability policy, sustainability actions and proposals and their tie-in with the Strategic Plan, interaction with different stakeholders and compliance with the ethics code	H
12.	To oversee Company's initiatives to support innovation, technology, and sustainability	A
13.	To oversee sustainability risks related to supply chain, climate disruption and public policy	H
14.	To monitor Company's ESG ratings / scores from ESG rating agencies and improvement plan	H
15.	To approve appointment of Chief Sustainability Officer after assessing the qualification, experience and background etc. of the candidate	P
16.	To oversee the Company's: a. Vendor development and engagement programs; b. program for ESG guidance (including Climate) to stakeholders and to seek feedback on the same and make further improvement programs	Q
17.	To provide assurance to Board in relation to various responsibilities being discharged by the Committee	H

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

Composition, Meetings and Attendance of CRC

During the FY 2021-22, one meeting of CRC was held on 3rd February, 2022.

The details of CRC meeting attended by its members during FY 2021-22 are given below:

Sr. No	Name and Designation	Category	Number of meetings held during FY 2021-22		% of Attendance
			Held during the tenure	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	01	01	100%
2.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	01	01	100%
3.	Mrs. Meera Shankar, Member	Non-Executive & Independent Director	01	01	100%

The minutes of CRC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

H. Public Consumer Committee

The Board at its meeting held on 29th October, 2021, constituted the Public Consumer Committee ("PCC"). As on 31st March, 2022, all the members of PCC comprise of Independent Directors A detailed charter of the PCC is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters.

Terms of reference:

SN	Terms of Reference	Frequency
1.	To devise a policy on consumer services	A
2.	To oversee consumer relationships management (approach, attitude and fair treatment) including the Company's policies, practices and services offered	H
3.	To review the actions taken for building and strengthening consumer service orientation and providing suggestion for simplifying processes for improvement in consumer service levels	H
4.	To discuss service updates, ongoing projects specifically targeted towards improvement of consumer service and appropriate actions arising from discussions	H
5.	To examine the possible methods of leveraging technology for better consumer services with proper safeguards and recommend measures to enhance consumer ease	H
6.	To seek / provide feedback on quality of services rendered by the Company to its consumers	H
7.	To examine the grievance redressal mechanism, its structure, framework, efficacy and recommend changes / improvements required in the system, procedures and processes to make it more effective and responsive	H
8.	To review the status of grievances received, redressed and pending for redressal	H
9.	To review the working of Alternate Dispute Redressal (ADR) Mechanism, if established by the Company	H
10.	To approve appointment of Chief Consumer Officer after assessing the qualifications, experience and background, etc. of the candidate and to oversee his performance	P
11.	To oversee policies and processes relating to advertising and compliance with consumer protection laws	P
12.	To review consumer engagement plan, consumer survey / consumer satisfaction trends and to suggest directives for improvements	H

Composition, Meetings and Attendance of Public Consumer Committee

During the financial year 2021-22, one meeting of PCC was held on 3rd February, 2022.

The details of PCC meeting attended by its members during FY 2021-22 are given below:

Sr. No	Name and Designation	Category	Number of meetings held during FY 2021-22		% of Attendance
			Held	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	01	01	100%
2.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	01	01	100%
3.	Mrs. Meera Shankar, Member	Non-Executive & Independent Director	01	01	100%

The minutes of PCC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

I. Information Technology & Data Security (IT & DS) Committee

The Board at its meeting held on 29thOctober, 2021, constituted the IT & DS Committee. As on 31st March, 2022, IT & DS Committee comprise of three members with half of Independent Directors. A detailed charter of the IT & DS Committee is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters.

Terms of reference:

SN	Terms of Reference	Frequency
1.	To review and oversee the function of the Information Technology (IT) within the Company in establishing and implementing various latest IT tools and technologies by which various key functions and processes across various divisions within the group can be automated to the extent possible and thereby to add the value	H
2.	To review and oversee the necessary actions being taken by IT and Cyber team with respect to protection of various important data across the Company and what the policy for data protection and its sustainability	A
3.	To oversee the current cyber risk exposure of the Company and future cyber risk strategy	H
4.	To review at least annually the Company's cyber security breach response and crisis management plan	A
5.	To review reports on any cyber security incidents and the adequacy of proposed action	H
6.	To assess the adequacy of resources and suggest additional measures to be undertaken by the Company	A
7.	To regularly review the cyber risk posed by third parties including outsourced IT and other partners	A
8.	To annually assess the adequacy of the Group's cyber insurance cover	A

Composition, Meetings and Attendance of Information Technology & Data Security Committee

During the FY 2021-22, one meeting of IT & DS Committee was held on 3rd February, 2022.

The details of IT & DS Committee meeting attended by its members during FY 2021-22 are given below:

Sr. No	Name and Designation	Category	Number of meetings held during FY 2021-22		% of Attendance
			Held	Attended	
1.	Mr. Anil Sardana, Chairman	Executive Director	01	01	100%
2.	Mr. K. Jairaj, Member	Non-Executive & Independent Director	01	01	100%
3.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	01	01	100%

The minutes of IT & DS Committee Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

J. Mergers & Acquisitions Committee

The Board at its meeting held on 29th October, 2021, constituted the Mergers & Acquisitions (M&A) Committee as sub-committee of Risk Management Committee. As on 31st March, 2022, the M&A Committee comprise of three members, with a majority of Independent Directors. A detailed charter of the M&A Committee is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters

Terms of reference:

SN	Terms of Reference	Frequency
1.	To review acquisition strategies with the management	P
2.	To review proposals relating to merger, acquisition, investment or divestment ("Transaction/s") that are presented to the Committee (including how such transaction fits with the Company's strategic plans and acquisition strategy, Transaction timing, important Transaction milestones, financing, key risks (including cyber security) and opportunities, , risk appetite, tolerance and the integration plan) and if thought fit, to recommend relevant opportunities to the Audit Committee / Board as appropriate	P
3.	To oversee due diligence process with respect to proposed Transaction(s) and review the reports prepared by internal teams or independent external advisors, if appointed	P
4.	To evaluate execution / completion, integration of Transaction(s) consummated, including information presented by management in correlation with the Transaction approval parameters and the Company's strategic objectives	P
5.	To periodically review the performance of completed Transaction(s)	A
6.	To review the highlights good practices and learnings from Transaction and utilize them for future Transactions	P
7.	To review the tax treatment of Transactions and ascertain their effects upon the financial statements of the Company and seek external advice on the tax treatment of these items, where appropriate	P

Frequency **A** Annually **P** Periodically

The details of composition of Mergers & Acquisitions Committee are given below:

Sr. No	Name	Designation(s)	Category
1.	Mr. Anil Sardana	Chairman	Executive Director
2.	Mr. K Jairaj	Member	Non-Executive & Independent
3.	Dr. Ravindra H. Dholakia	Member	Non-Executive & Independent

The minutes of M&A Committee Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

K. Legal, Regulatory & Tax Committee

The Board at its meeting held on 29th October, 2021, constituted the Legal, Regulatory & Tax ("LRT") Committee as sub-committee of Risk Management Committee. As on 31st March, 2022, the LRT Committee comprise of three members, with a majority of Independent Directors A detailed charter of the LRT Committee is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters

Terms of reference:

SN	Terms of Reference	Frequency
1.	To exercise oversight with respect to the structure, operation and efficacy of the Company's compliance program	A
2.	To review legal, tax and regulatory matters that may have a material impact on the Company's financial statements and disclosures, reputational risk or business continuity risk	H
3.	To review compliance with applicable laws and regulations	H
4.	To approve the compliance audit plan for the year and review of such audits to be performed by the internal audit department of the Company	A

SN	Terms of Reference	Frequency
5.	To review significant inquiries received from, and reviews by, regulators or government agencies, including, without limitation, issues pertaining to compliance with various laws or regulations or enforcement or other actions brought or threatened to be brought against the Company by regulators or government authorities / bodies / agencies	P
6.	To review, oversee and approve the tax strategy and tax governance framework and consider and action tax risk management issues that are brought to the attention of the Committee	A

Composition, Meetings and Attendance of Legal, Regulatory & Tax Committee

During the FY 2021-22, one meeting of LRT Committee was held on 3rd February, 2022.

The details of LRT Committee meeting attended by its members during FY 2021-22 are given below:

Name and Designation	Category	Number of meetings held during FY 2021-22		% of Attendance
		Held	Attended	
Mr. Anil Sardana, Chairman	Executive Director	01	01	100%
Mr. K. Jairaj, Member	Non-Executive & Independent Director	01	01	100%
Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	01	01	100%

The minutes of LRT Committee Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

L. Reputation Risk Committee

The Board at its meeting held on 29th October, 2021, constituted the Reputation Risk Committee as sub-committee of Risk Management Committee. As on 31st March, 2022, the Reputation Risk Committee comprise of three members, with a majority of Independent Directors. A detailed charter of the Reputation Risk Committee is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters

Terms of reference:

SN	Terms of Reference	Frequency
1.	To review reports from management regarding reputation risk, including reporting on the Reputation Risk Management Framework and Reputation Risk Appetite	H
2.	To provide ongoing oversight of the reputational risk posed by global business scenario, functions, geographies, material legal changes, climate change or high-risk relationships / programs	H
3.	To assess and resolve specific issues, potential conflicts of interest and other reputation risk issues that are reported to the Committee	P
4.	To recommend good practices and measures that would avoid reputational loss	A
5.	To review specific cases of non-compliances, violations of codes of conduct which may cause loss to reputation the Company	P

Frequency **A** Annually **H** Half yearly **P** Periodically

The details of composition of Reputation Risk Committee are given below:

Sr. No	Name and Designation	Category
1.	Mr. Anil Sardana, Chairman	Executive Director
2.	Mr. K. Jairaj, Member	Non-Executive & Independent Director
3.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director

The minutes of Reputation Risk Committee Meetings at reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

Investor Services:

M/s. Link Intime India Private Limited are acting as Registrar & Share Transfer Agent of the Company. They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster services to the investors.

Name, Designation and Address of the Compliance Officer:

Mr. Jaladhi Shukla,
Company Secretary and Compliance Officer

Adani Transmission Limited
"Adani Corporate House", Shantigram,
Near Vaishno Devi Circle, S. G. Highway,
Khodiyar, Ahmedabad - 382421
E-mail ID: jaladhi.shukla@adani.com

4. Subsidiary Companies

None of the subsidiaries of the Company other than Adani Electricity Mumbai Limited, Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited comes under the purview of the Material Non-Listed Indian Subsidiary as per criteria given in the SEBI Listing Regulations. The Company has nominated Mr. K. Jairaj, Independent Director of the Company as Director on the Board of these three material subsidiaries.

The subsidiaries of the Company function with an adequately empowered Board of Directors and sufficient resources.

For more effective governance, the Company monitors performance of subsidiary companies, interalia, by following means:

a) Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.

b) Minutes of unlisted subsidiary companies are placed before the Board of the Company regularly.

c) A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board of the Company at its meetings.

The risk factors and project reports of the subsidiary companies are also reviewed by the Audit Committee of the Company.

The Company has a policy for determining 'material subsidiaries'. The policy is uploaded on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

5. Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for its employees and Directors to report concerns about unethical and improper activity. No person has been denied access to the Chairman of the Audit Committee. The Whistle Blower policy is uploaded on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance. The Audit Committee monitors and reviews the investigations of the whistle blower complaints.

6. General Body Meetings

a) Annual General Meetings

The date, time and location of the Annual General Meetings held during the preceding three years and special resolutions passed thereat are as follows:

Financial Year	Day & Date	Location of Meeting	Time	No. of Special Resolutions passed
2018-19	Thursday. 8th August, 2019	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	10.30 a.m.	5
2019-20	Thursday, 24th June, 2020	Through Video-Conferencing / Other Audio Visual Means	10.00 a.m.	3
2020-21	Tuesday, 13th July, 2021	Through Video-Conferencing / Other Audio Visual Means	11.00 a.m.	1

b) Whether special resolutions were put through postal ballot last year, details of voting pattern:

There were no special resolutions passed through postal ballot process during FY 2021-22.

c) Whether any resolutions are proposed to be conducted through postal ballot:

No resolution is proposed to be passed by way of Postal Ballot at the ensuing AGM.

d) Procedure for postal ballot:

Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Act read with rules made there under as amended from time to time shall be complied with whenever necessary.

7. Means of Communication

a) Financial Results:

The quarterly/half-yearly and annual results of the Company are normally published in the Indian Express (English) and Financial Express (a regional daily published from Gujarat).

The quarterly / half-yearly and annual results and other official news releases are displayed on the website of the Company – www.adanitransmission.com shortly after its submission to the Stock Exchanges.

b) Intimation to Stock Exchanges:

The Company regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

c) Earnings Calls and Presentations to Analysts:

At the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations made to analysts and transcripts of earnings call are uploaded on the website thereafter.

The Company has maintained consistent communication with investors at various forums organized by investment bankers.

8. Other Disclosures

a) Disclosure on materially significant related party transactions:

All related party transactions entered into during the financial year were at arm's length basis and in the ordinary course of business. The details of related party transactions are disclosed in financial section of this Annual Report. The Company has developed a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Related Party Transaction Policy is uploaded on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

b) In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

c) Details of compliance

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

d) ADANI Code of Conduct

The ADANI Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company.

A declaration signed by the Managing Director affirming the compliance with the ADANI Code of Conduct by the Board Members and Senior Management Personnel of the Company is as under:

Declaration as required under the SEBI Listing Regulations

All Directors and senior management of the Company have affirmed compliance with the ADANI Code of Conduct for the financial year ended 31st March, 2022.

Anil Sardana
Managing Director and Chief Executive Officer

Place: Ahmedabad
Date: 5th May, 2022

Adani Code of Conduct for Prevention of Insider Trading

Adani Code of Conduct for Prevention of Insider Trading, as approved by the Board, inter alia, prohibits dealing in the securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company. The said code is available on the website of the Company.

e) CEO / CFO Certificate

The CEO and CFO have certified to the Board with regard to the financial statements and other matters as required by the SEBI Listing Regulations. The certificate is appended as an Annexure to this report.

They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the SEBI Listing Regulations.

f) Proceeds from public issues, rights issues, preferential issues etc.

The Company discloses to the Audit Committee, the uses / application of proceeds /funds raised from rights issue, preferential issue as part of the quarterly review of financial results, whenever applicable.

g) The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

h) The Material Events Policy, Website Content Archival Policy, Policy on Preservation of Documents are uploaded on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

i) As a part of good governance practice, the Company has also constituted several policies from ESG perspective and the same are available on Company's website at https://www.adanitransmission.com/investors/corporate-governance.

j) Details of the familiarization programmes imparted to the Independent Directors are available on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

k) The Company has put in place succession plan for appointment to the Board and to Senior Management.

l) The Company complies with all applicable Secretarial Standards.

m) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from Statutory Auditors and the same is attached to this Report.

n) As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the ensuing AGM are given herein and in the Annexure to the Notice of the 9th AGM to be held on Wednesday, 27th July, 2022.

o) The Company has obtained certificate from M/s. Chirag Shah & Associates, Practising Company Secretaries confirming that none of the Directors of the Company is debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such authority from being appointed or continuing as Director of the Company and the same is also attached to this report.

p) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm / network entity of which the Statutory Auditor is a part, is given below:

M/s. Deloitte Haskins & Sells LLP

(₹ In Crores)

Payment to Statutory Auditors	FY 2021-22
Audit Fees	1.98
Out of pocket expenses	0.02
Other Matters	1.49
Total	**3.49**

(All amounts excluding GST)

q) As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, the Company has constituted Internal Complaints Committees (ICs) which are responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment. All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by the Company.

10. General Shareholder Information

A. Company Registration Details:

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40300GJ2013PLC077803.

B. Annual General Meeting:

Day and Date	Time	Mode
Wednesday, 27th July, 2022	11.00 a.m.	Through Video Conferencing / Other Audio Visual Means

C. Registered Office:

"Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421.

D. Financial Calendar for 2022-23: (tentative schedule, subject to change)

Period	Approval of Quarterly results
Quarter ending 30th June, 2022.	Mid August, 2022
Quarter and half year ending 30th September, 2022	Mid November, 2022
Quarter ending 31st December, 2022	Mid February, 2023
The year ending 31st March, 2023	End May, 2023

E. Date of Book Closure:

Wednesday, 20th July, 2022 to Wednesday, 27th July, 2022 (both days inclusive) for the purpose of 9th Annual General Meeting.

F. Dividend Distribution Policy

As per Regulation 43A of the SEBI Listing Regulations, the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, a policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Dividend Distribution Policy of the Company is available on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

G. Listing on Stock Exchanges:

(a) The equity shares of the Company are listed with the following stock exchanges

BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	(Stock Code : 539254)
National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	(Stock Code : ADANITRANS)

(b) Depositories:

1. **National Securities Depository Limited (NSDL)**
Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.
2. **Central Depository Services (India) Limited(CDSL)**
25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400013

Annual Listing fees to BSE & NSE and Annual Custody / Issuer fee of NSDL & CDSL for FY 2022-23 will be paid on receipt of the invoices from respective agencies.

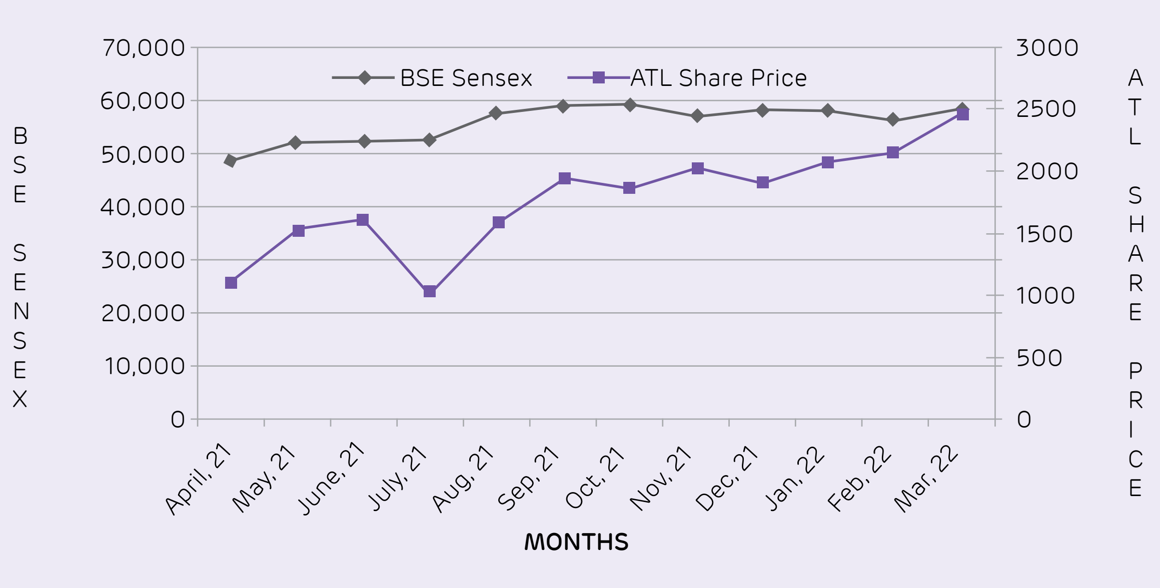
H. Market Price Data: High, Low during each month in Financial Year 2021-22.

Monthly share price movement during the year 2021-22 at BSE & NSE:

Month	BSE			NSE		
	High (₹)	**Low (₹)**	**Volume (No. of shares)**	**High (₹)**	**Low (₹)**	**Volume (No. of shares)**
April, 2021	1,109.90	899.65	21,57,628	1,110.65	899.25	2,48,90,296
May, 2021	1,526.95	1,061.10	23,01,661	1,526.50	1,065.35	5,99,36,681
June, 2021	1,605.55	1,062.95	9,30,788	1,602.60	1,059.45	1,09,62,277
July, 2021	1,010.15	902.75	6,11,644	1,016.55	893.45	40,18,110
August, 2021	1,580.10	904.15	1,77,774	1,580.60	908.80	42,45,625
September, 2021	1,942.55	1,534.20	9,31,768	1,944.05	1,530.60	2,13,58,018
October, 2021	1,859.75	1,574.40	6,00,719	1,874.25	1,577.85	24,75,935
November, 2021	2,020.45	1,755.45	97,150	2,029.60	1,758.30	27,32,717
December, 2021	1,898.25	1,682.50	1,23,710	1,892.45	1,683.40	62,25,198
January, 2022	2,070.15	1,724.85	87,816	2,066.80	1,731.10	18,24,616
February, 2022	2,136.65	1,893.95	1,49,676	2,134.40	1,895.90	43,28,535
March, 2022	2,454.95	2,166.85	3,90,201	2,461.55	2,164.65	86,78,610

[Source: This information is compiled from the data available from the websites of BSE and NSE]

I. Performance in comparison to broad-based indices such as BSE Sensex.



J. Registrar and Share Transfer Agents:

M/s. Link Intime India Private Limited are appointed as Registrar and Share Transfer (R&T) Agents of the Company for both Physical and Demat Shares. The address is given below:

M/s. Link Intime India Private Limited
5th Floor, 506 to 508, Amarnath Business Centre - 1 (ABC-1),
Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad – 380006
Tel: +91-79-26465179
Fax : +91-79-26465179
Contact Person: Mr. Nilesh Dalwadi

Shareholders are requested to correspond directly with the R & T Agent for queries pertaining to their shares such as transfer / transmission of shares, change of address, queries pertaining to their shares, dividend etc.

K. Share Transfer System:

The Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. The share transfers received in physical form are processed through R & T Agent, within seven days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, issue of duplicate share certificate, dematerialization etc. to the Securities Transfer Committee. All the physical transfers received are processed by the R & T Agent and are approved by the Securities Transfer Committee well within the statutory period of one month. The Securities Transfer Committee meets every fortnight for approval of the transfer, transmission, issue of duplicate share certificate, dematerialization / rematerialization of shares etc. and all valid share transfers received during the year ended 31st March, 2022 have been acted upon. The share certificates duly endorsed are returned immediately to the shareholders by the R & T Agent.

During the year under review, the Company obtained following certificate(s) from a Practicing Company Secretary and submitted the same to the stock exchanges within stipulated time

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for year ended 31st March, 2022 with the Stock Exchanges; and
2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company at the address given above.

L. Dematerialization of Shares and Liquidity:

The equity shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The demat security (ISIN) code for the Equity Share is INE931S01010.

As on 31st March, 2022, 109,95,84,231 shares (constituting 99.98%) were in dematerialized form.

The Company's equity shares are frequently traded on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

M. The Distribution of Shareholding as on 31st March, 2022 is as follows:

Number of shares	Number of shareholders		Equity Shares held in each category	
Category	Holders	% of Total	Total Shares	% of Total
1 to 500	87,330	96.65	30,18,866	0.27
501 to 1000	1,156	1.28	9,02,692	0.08
1001 to 2000	619	0.69	9,58,143	0.09
2001 to 3000	220	0.24	5,60,615	0.05
3001 to 4000	180	0.20	6,51,731	0.06
4001 to 5000	108	0.12	4,96,208	0.04
5001 to 10000	275	0.30	20,20,733	0.19
Above 10000	468	0.52	109,12,01,095	99.22
TOTAL	**90,356**	**100.00**	**109,98,10,083**	**100.00**

N. Shareholding Pattern as on 31st March, 2022 is as follows:

Category	No. of Shares held	(%) of total
Promoters and Promoter Group	82,39,63,481	74.92
Foreign Portfolio Investors	22,61,88,688	20.57
Mutual Funds, Financial Institutions/Banks	16,69,218	0.15
N.R.I. and Foreign National	4,20,565	0.04
Private Bodies Corporate	13,52,473	0.12
Indian Public and others	4,60,10,969	4.18
Clearing Members (Shares in Transit)	2,04,689	0.02
Total	**109,98,10,083**	**100.00**

O. Listing of Debt Securities:

As on 31st March, 2022, no Rated, Listed, Taxable, Secured, Redeemable, Non-Convertible Debentures were outstanding on the Wholesale Debt Market Segment of BSE Limited.

P. Debenture Trustees (for privately placed debentures): Not applicable

Q. Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity.

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at 31st March, 2022.

R. Commodity Price Risk/Foreign Exchange Risk and Hedging:

In the ordinary course of business, the Company is exposed to risks resulting from exchange rate fluctuation and interest rate movements. It manages its exposure to these risks through derivative financial instruments. The Company's risk management activities are subject to the management, direction and control of Treasury Team of the Company under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board. The Company's Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The decision of whether and when to execute derivative financial instruments will be governed by the risk management policy framework while also considering the prevailing market conditions and the relative costs of the instruments.

S. Major Plant Locations:

Not Applicable

T. Address for correspondence:

The shareholders may address their communications / suggestions / grievances /queries to:

1. **Mr. Jaladhi Shukla**
Company Secretary and
Compliance Officer
Adani Transmission Limited
Adani Corporate House, Shantigram,
Near Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad – 382 421
Tel: (079) 25555 555, 26565 555.
Fax: (079) 26565 500, 25555 500.
Email id: jaladhi.shukla@adani.com

2 **M/s. Link Intime India Private Limited**
5th Floor, 506 to 508, Amarnath Business Centre - 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellis bridge, Ahmedabad – 380006
Tel: +91-79-26465179
Fax : +91-79-26465179
Contact Person: Mr. Nilesh Dalwadi
Email id:ahmedabad@linkintime.co.in

U. Credit Rating:

Domestic Ratings

Rating Agency	Facility	Rating/Outlook
ICRA	Commercial Paper Issuance	A1+
India Ratings and Research		IND A1+
India Ratings and Research	Non-Convertible Debenture Issuance	IND AA+/stable

International Ratings

Rating Agency	Facility	Rating/Outlook
Fitch	Dollar Bond	BBB-/Negative
S&P		BBB-/Stable
Moody's		Baa3/Negative

Non-mandatory Requirements (Schedule II Part E of the SEBI Listing Regulations) :

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

1. The Board:

Your Company has an Executive Chairman and hence, the need for implementing this non-mandatory requirement does not arise.

2. Shareholders Right:

The quarterly, half-yearly and annual financial results of your Company are published in newspapers and posted on Company's website www.adanitransmission.com. The same are also available on the sites of stock exchanges (BSE & NSE) where the shares of the Company are listed i.e.www.bseindia.com and www.nseindia.com.

3. Modified opinion(s) audit report:

The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements.

4. Separate posts of Chairperson and CEO:

Mr. Gautam S. Adani is the Chairman and Mr. Anil Sardana is the Managing Director and CEO of the Company.

5. Reporting of Internal Auditor:

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meetings for reporting their findings of the internal audit to the Audit Committee Members.

Certification by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2022 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2022 which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the Auditors and the Audit Committee that:
   a) there have been no significant changes in internal control system during the year;
   b) there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   c) there have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system

Place : Ahmedabad	**Anil Sardana**	**Rohit Soni**
Date : 5th May, 2022	Managing Director and CEO	Chief Financial Officer

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Adani Transmission Limited
Adani Corporate House, Shantigram,
Near Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad – 382 421

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Adani Transmission Limited having CIN L40300GJ2013PLC077803 and having registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Gautam Shantilal Adani	00006273	17/06/2015
2.	Mr. Rajesh Shantilal Adani	00006322	17/06/2015
3.	Mr. Anil Sardana	00006867	10/05/2018
4.	Mr. Ravindra Harshadrai Dholakia	00069396	26/05/2016
5.	Mr. Kalaikuruchi Jairaj	01875126	17/06/2015
6.	Mrs. Meera Shankar	06374957	17/06/2015
7.	Mrs. Lisa Caroline MacCallum	09064230	30/11/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Chirag Shah and Associates

Chirag Shah
Membership No.: 5545
CP No.: 3498
UDIN : F005545D000272845
Peer Review Cer. No.704/2020

Date: 5th May, 2022
Place: Ahmedabad

Compliance Certificate on Corporate Governance

To,
The Members of
Adani Transmission Limited

We have examined the compliance of conditions of Corporate Governance by Adani Transmission Limited ("the Company") for the year ended on 31st March, 2022 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

CS Chirag Shah
Partner

Chirag Shah and Associates
FCS No.: 5545
C. P. No. 3498
UDIN : F005545D000272900

Place : Ahmedabad
Date : 5th May, 2022

Business Responsibility & Sustainability Report

Section A: General Disclosure

I. Details of the listed Entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L40300GJ2013PLC077803
2.	**Name of the Listed Entity**	Adani Transmission Limited ("ATL / the Company")
3.	**Year of incorporation**	2013
4.	**Registered office address**	"Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421, Gujarat, India.
5.	**Corporate address**	"Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421, Gujarat, India.
6.	**E-mail**	jaladhi.shukla@adani.com
7.	**Telephone**	(91) 79 25555366
8.	**Website**	www.adanitransmission.com
9.	**Financial year for which reporting is being done**	01.04.2021 to 31.03.2022
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	**Paid-up Capital (₹ Cr.)**	1099.81
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Name: Mr. Anil Sardana Designation: Managing Director & CEO DIN Number: 00006867 Telephone Number: (079) 25555665 Email Id: anil.sardana@adani.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Disclosures under this report is made on a consolidated basis. We have taken the business of Generation, Transmission and Distribution of Electricity.

II. Products and Services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1.	Transmission Services	Power transmission Services	31%
2.	Generation, Transmission and Distribution	Power Generation, Distribution and Transmission Services	62%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% Of total Turnover contributed
1.	Electricity Generation, Transmission, and Distributions	35106	93%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	The Company is having Pan India presence across 13 (Thirteen) States namely, Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana,Jharkhand, Maharashtra, Madhya Pradesh, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, and West Bengal.		
International	None		

17. Markets served by the entity:

a. Locations	Number
National (No. of States)	The Company is having Pan India presence across 13 (Thirteen) States namely, Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana,Jharkhand, Maharashtra, Madhya Pradesh, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, and West Bengal.
International (No. of Countries)	None

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The Company has only domestic turnover.

c. A brief on types of customers:

The Company works in both B2B (Power Generation and Transmission) and B2C business (Retail Electricity Distribution). The B2C business is done by Retail Electricity distribution arms of ATL i.e. Adani Electricity Mumbai Limited (AEML) and MPSEZ Utilities Limited (MUL).

IV. Employees

18. Details as at the end of Financial Year

1. Employees (including differently abled):

Particulars	Total(A)	Male		Female#	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
Permanent (D)	5,105	4,768	93%	337	7%
Other than Permanent (E)	0	0	0	0	0
Total Employees (D+E)	**5,105**	**4,768**	**93%**	**337**	**7%**
Workers					
Permanent (F)	0	0	0	0	0
Other than Permanent (G)	6,073	5,937	98%	136	2%
Total Workers (F+G)	**6,073**	**5,937**	**98%**	**136**	**2%**

In addition, we have dedicated association through our CSR program for women (Saksham Program) which helps to improve their quality of life in our society. Details of this program is covered under Principle 8.

2. Differently abled Employees and workers:

Particulars	Total(A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees					
Permanent (D)	10	9	90%	1	10%
Other than Permanent (E)	0	0	0	0	0
Total Differently abled employees (D+E)	**10**	**9**	**90%**	**1**	**10%**
Differently Abled Workers					
Permanent (F)	0	0	0	0	0
Other than Permanent (G)	0	0	0	0	0
Total differently abled Workers (F+G)	**0**	**0**	**0**	**0**	**0**

19. Participation/Inclusion/Representation of women

	Total (A)	Number (B)	Percentage of Females % (B/A)
Board of Directors	7	2	29%
Key Management Personnel*	2	0	0

* Includes Chief Financial Officer and Company Secretary

20. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)

	Turnover Rate in FY 2021-22			Turnover Rate in FY 2020-21			Turnover Rate in FY 2019-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5.32%	4.00%	5.23%	5.16%	3.06%	5.02%	4.84%	4.03%	4.78%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21.1. Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Adani Transmission (India) Limited (ATIL)	Subsidiary	100%	Yes
2.	Maharashtra Eastern Grid Power Transmission Co. Limited (MEGPTCL)	Subsidiary	100%	Yes
3.	Sipat Transmission Limited (STL)	Subsidiary	100%	Yes
4.	Raipur-Rajnandgaon-Warora Transmission Limited (RRWTL)	Subsidiary	100%	Yes
5.	Chhattisgarh-WR Transmission Limited (CWRTL)	Subsidiary	100%	Yes
6.	Adani Transmission (Rajasthan) Limited (ATRL)	Subsidiary	99.99% (Refer note 1)	Yes
7.	North Karanpura Transco Limited (NKTL)	Subsidiary	100%	Yes
8.	Maru Transmission Service Company Limited (MTSCL)	Subsidiary	100%	Yes
9.	Aravali Transmission Service Company Limited (ATSCL)	Subsidiary	100%	Yes
10.	Hadoti Power Transmission Service Limited (HPTSL)	Subsidiary	100%	Yes
11.	Barmer Power Transmission Service Limited (BPTSL)	Subsidiary	100%	Yes
12.	Thar Power Transmission Service Limited (TPTSL)	Subsidiary	100%	Yes
13.	Western Transco Power Limited (WTPL)	Subsidiary	100%	Yes
14.	Western Transmission (Gujarat) Limited (WTGL)	Subsidiary	100%	Yes
15.	Fatehgarh-Bhadla Transmission Limited (FBTL)	Subsidiary	100%	Yes
16.	Ghatampur Transmission Limited (GTL)	Subsidiary	100%	Yes
17.	Adani Electricity Mumbai Limited (AEML)	Subsidiary	74.90%	Yes

Sr. No.	Name of the holding / subsidiary / associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
18.	AEML Infrastructure Limited (AEML Infra)	Subsidiary	100%	Yes
19.	OBRA-C Badaun Transmission Limited (OBTL)	Subsidiary	100%	Yes
20.	Adani Transmission Bikaner Sikar Private Limited (ATBSPL)	Subsidiary	99.99% (Refer note 1)	Yes
21.	WRSS XXI (A) Transco Limited (WRSS XXI (A))	Subsidiary	100%	Yes
22.	Bikaner Khetri Transco Limited (BKTL)	Subsidiary	100%	Yes
23.	Lakadia Banaskantha Transco Limited (LBTL)	Subsidiary	100%	Yes
24.	Jamkhambhaliya Transco Limited (JKTL)	Subsidiary	100%	Yes
25.	Arasan Infra Private Limited (AIPL)	Subsidiary	100%	Yes
26.	Sunrays Infra Space Private Limited (SISPL)	Subsidiary	100%	Yes
27.	Power Distribution Services Limited	Subsidiary	74.90%	Yes
28.	Adani Electricity Mumbai Infra Limited (100% subsidiary of AEML) (AEMIL)	Subsidiary	74.9%	Yes
29.	Khar Ghar Vikhroli Transmission Private Limited (KVTPL)	Subsidiary	100%	Yes
30.	Alipurduar Transmission Limited (ALTL)	Subsidiary	49% (Refer note 2)	Yes
31.	AEML SEEPZ Limited (100% subsidiary of AEML) (ASL)	Subsidiary	74.9%	Yes
32.	Adani Transmission Step One Limited (ATSOL)	Subsidiary	100%	Yes
33.	Warora Kurnool Transmission Limited (WKTL)	Subsidiary	100%	Yes
34.	ATL HVDC Limited	Subsidiary	100%	Yes
35.	MP Power Transmission Package-II Limited	Subsidiary	100%	Yes
36.	MPSEZ Utilities Limited (MUL)	Subsidiary	100%	Yes
37.	Karur Transmission Limited	Subsidiary	100%	Yes
38.	KHAVDA-BHUJ Transmission Limited	Subsidiary	100%	Yes

Note:

1) One golden share allotted to RUVPNL (Rajasthan Rajya Vidyut Utpadan Nigam) as per TSA (Transmission Service Agreement)

2) 49% shares acquired by ATL in 2020-21 and for balance 51 % shares, ATL has signed binding agreement with selling shareholder for acquisition with the agreed price. Considering the rights available ATL has concluded that it controls ALTL.

VI. CSR Details (in ₹)

		Response
22. (i)	Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii)	Turnover Standalone	11,258 Crore
(iii)	Net worth Standalone	11,007 Crore

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	Current Financial Year FY 21-22			Current Financial Year FY 20-21		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	0	0	NA	0	0	NA
Employees and workers	Yes	0	0	NA	0	0	NA
Customers	Yes	0	0	NA	0	0	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA
Other (please specify)	NIL	0	0	NA	0	0	NA

24. Overview of the entity's material responsible business conduct issues

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/ negative implications)
1.	Safety and Well-Being	Risk	Failure to ensure the health, safety and well-being of the Company's workforce can impact productivity. This can consequently affect our business operations, customer satisfaction and profitability.	The Company strives to foster a safe working environment and ensure Zero Harm. Hazards and risks are periodically identified, with mitigation plans devised for each. Additionally, safety trainings are provided to employees and workers on regular basis to ensure their holistic well-being.	The process of identifying and quantifying the financial implications of the identified risks and opportunities is currently underway.

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/ negative implications)
2.	Customer orientation and value creation for stakeholders	Opportunity	High levels of customer satisfaction are integral to ensuring a resilient business that thrives in an increasingly competitive landscape.	The Company has instituted a robust customer feedback mechanism. Regular interactions are undertaken with the customers to ensure that the offerings and customer service are up to the mark, and their inputs are incorporated during decision-making.	
3.	Business Ethics and values	Risk	Ethical conduct, integrity and transparent two-way communication with stakeholders is integral to ensuring regulatory compliance and building stakeholder trust.	The Company has instituted several policies and procedures on business ethics, integrity, and transparency. Annual internal audits are being conducted to review the effective implementation of policies.	
4.	Enterprise Risk Management	Risk	Devising appropriate risk mitigation strategies is integral to helping the Company leverage opportunities, stay ahead of the curve, and avoid shocks and disruptions to the business.	Risks, including ESG risks, are periodically identified and a systematic approach is defined to managing them.	
5.	Innovation and Technology	Opportunity	The world is changing constantly and to remain relevant and profitable, it is an essential need to adapt and develop new advancements for meeting new realities.	ATL, innovation and technology advancements are at center stage, which supports enhancing operational efficiency, and reducing overall emissions. The company has invested in technologies and made changes to its processes to reduce resource consumption and enhance machine safety. As a result, Adani Power Training & Research Institute (APTRI) center has been accredited as Grade 'A' and Category-I Institute by the Central Electricity Authority (CEA), Ministry of Power, Government of India.	

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/ negative implications)
6.	Human Capital Development and Caring Human Rights in the Business	Opportunity	Upholding human rights is essential to protecting organization's communities, employees, and other stakeholders. Respecting human rights and ensuring sound labor practices allows the organization to avoid regulatory action, avoid penalties, and empower its employees and workers.	The Company has constituted a standing forum, both at the Group Level as well as at individual entity level, that aids and advises the management in its approach towards building sustainable Human Rights. Group HR through Business HR is responsible to ensure that any issue or impact related to human rights are addressed in the defined manner withing the stipulated timeline. The Adani Dahanu Thermal Power Station (ADTPS) is certified by the social accountability standard SA8000. All employees and staff of ATL are trained on the Human Rights Policy at the time of induction. Awareness sessions on human rights and associated laws and workshops that include awareness on reporting human rights violations are organized periodically by utilizing the company's grievance redressal mechanism The Company adheres to all the laws of the land, related to human rights and labor practices. No forced child or compulsory labor is deployed by the Company, and its policy framework nurtures a diverse, safe, and empowered workforce.	
7.	Water Stewardship	Risk	Water is a shared resource, making it important for businesses to use it responsibly. Ensuring responsible consumption is key to the business' social license to operate and a sustainable planet for all.	Companies Net Water Neutrality Initiative by increasing the number of Rainwater Harvesting Ponds reduces the dependency on fresh water.	
8.	Zero Waste to Landfill	Risk	Responsible disposal of waste, and reducing its generation, helps the organization to comply with environmental rules and regulations and ensure environmental sustainability.	ATL has achieved the status of >99% of waste diverted from Landfill.	

Sr. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate the positive/ negative implications)
9.	Biodiversity Conservation and Natural Resource Optimization	Risk	Reducing the impact of business operation on biodiversity and focus on optimization of natural resources	ATL works to build partnerships and work constructively with stakeholders, assess its impacts on key biodiversity issues and make decisions after considering the biodiversity impacts. By adopting a dedicated biodiversity policy and becoming a signatory to the Insolvency and Bankruptcy Board of India (IBBI), ATL has strengthened its commitment to being a responsible corporate citizen in the field of biodiversity. As per the policy, ATL has set a target to become "Net Positive" in terms of biodiversity by FY 2024-25.	
10.	Inclusive Growth including communities	Opportunity	Community development activities helps a company to create a positive impact on society by undertaking meaningful interventions to bring significant benefits to large sections of the society. The CSR efforts also help foster a more productive and positive work environment for employees.	The Adani Foundation has been striving to create sustainable opportunities for the marginalized communities by facilitating quality education, sustainable livelihood development, promoting a healthy society and supporting rural infrastructure development. With an aim to contribute to the holistic development of communities, the Adani Foundation is contributing to the global agenda of meeting Sustainable Development Goals (SDGs).	
11.	Climate Change Mitigation and Adaptation	Risk	Climate adaptation and mitigation are key to building a future-ready organization. They can also reduce operational costs and drive greater efficiencies for the business.	The Governing Policies on Environment and Sustainability defines the process for measuring, monitoring and reducing the Company's environmental impact.	
12.	Responsible Business partnerships (Engagement with suppliers and customers on ESG issue Supply Chain	Opportunity	Sound ESG practices in the value chain help the organization to support local businesses, reduce its indirect environmental impact, and promote good governance amongst partner organizations.	While onboarding, a new supplier has to sign General Conditions Contract (GCC) that includes terms and conditions w.r.t. to ESG related factors mentioned in our Supplier Code of Conduct.	

Section B: Management and Process Disclosures

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	https://www.adanitransmission.com/-/media/Project/Transmission/Investor/documents/Policies/A211-Business-Reesponsibility-Policy-dtd-04012020.pdf								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The suppliers are required to comply with all the Company's policies including ESG as stated in Suppliers Code of Conduct.								
4.	Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fair trade, Rain forest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 for Quality Management System ISO 14001:2015 for Environment Management System ISO 26000:2010 for Social Responsibility ISO 27031:2011 for Information and Communication Technology (ICT) Readiness for business continuity ISO 45001:2018 for Occupational Health and Safety ISO 50001:2018 for Energy Management System ISO 55001:2014 for Asset Management System ISO 27001:2013 for Information Security Management System ISO 22301:2019 for Business Continuity Management System • https://www.adanitransmission.com/investors/corporate-governance								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	1) Board Governance as per world best practices 2) To be in Top-5 companies in India for ESG benchmarking of Electric Utility Sector by FY 2023-24 3) Play pivotal role in global climate action and demonstrate significant contribution by avoiding GHG emissions through sourcing renewable energy and building supporting infrastructure- 60% renewable in total electricity distribution by ATL-AEML by 2027. 4) Emission intensity target in line with India's Nationally Determined Contributions (NDCs) and performance disclosures in public domain by 2021-22 5) Committed to Health and Safety of workforce with Zero Harm and Zero Leak objective by bringing Leadership commitment, Uniform deployment of safety standards and procedures, Capacity building, Systems and Processes 6) IT – enablement of Adani Energy Vertical ESG framework by FY 2023-24 7) Zero-Waste-to-Landfill (ZWL) Certified Company for 100% of business activities under O&M phase by 2024-25 8) Single-use-Plastic-Free (SuPF) Certified Company for 100% of business activities under O&M phase by 2022-23 9) Integrate with Management Systems in the company to conduct business with no net loss to biodiversity and 100% alignment with India Business Biodiversity Initiative (IBBI) and public disclosures by 2023-24 10) Building green supply chain by integration of Associates for 100% of critical supplies by 2023-24 11) Systematic Materiality Assessment and integration with Management Systems in the company 12) Inclusive growth including communities by undertaking CSR initiatives aligned with business impacts to leave positive footprints and societal happiness								

Sr. No	Disclosure Questions	
6.	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Key Performance targets across EGS parameters are set internally and monitored and acted upon continuously.
Governance, Leadership and oversight		
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements	The Adani Group's purpose of Nation Building provides a guiding framework for investment in businesses that accelerate India's economic growth, which is vital for the wellbeing of its citizen. The Group strongly believes that embedding Environmental, Social, and Governance (ESG) principles in its business operations is not only a responsibility but an essential part of our DNA. Adherence to these principles helps build resilience, transform culture and long-term value creation to systematically identify opportunities, manage risks, and secure the interest of all our stakeholders. ATL has undertaken a rigorous mapping of emission footprint and will adhere to transparent disclosure and validation through internationally reputed platforms. Each of our businesses aims to be a sector leader in reducing direct emissions, in sourcing renewable energy for operations, and will work with value chain partners to reduce indirect emissions. We continuously strive to demonstrate credentials for sustainable growth and leadership. The Company is benchmarked with best-in-class practices and intends to emerge as a World-class integrated utility. ATL continues to de-risk its business through stronger strategic and operational aspects, capital conservation, credit quality, partnerships, environmental and social stewardship and high governance standards leading to enhanced value creation for all stakeholders in the long term. The Company is conscious of climate risks, social changes in society and the need for enhanced commitment to governance. The Company management and its Board, ensure mapping of strategic, tactical and operational risks as also their mitigation through proactive drills, enactment of response requirements under adverse situations as if they were to take place. This is being fully supplemented through the Board & its committees, Independent Directors through their guidance & oversight, as also managements pursuit to excel & benchmark. A part of actions towards ATL ESG Strategy, all assets under O&M phase is certified with Zero Waste to Landfill which reaffirmed our commitment to de risk our business operations and reduce impact of our business on mother earth. ATL looks forward to continued investments in digitalization with an aim to enhance seamless automation, enhanced operating efficiency, cost competitiveness and enhanced asset availability. The company's ability to execute projects swiftly across India is because of its diligent adherence to environmental and social standards. Our Board seeks the accountability of ESG performance from the senior leadership, and we are practicing linking performance to critical aspects of ESG. The company continues to deepen its ESG commitment, marked by focused teams benchmarking a higher performance standard.

<table>
<tr><th>Sr. No</th><th>Disclosure Questions</th><th colspan="2"></th></tr>
<tr><td rowspan="5">8.</td><td rowspan="5">Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ices).</td><td colspan="2">The Board of the Company has constituted a Corporate Responsibility Committee comprising solely of the Independent Directors to oversee strategies, activities and policies including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework.</td></tr>
<tr><td>Name of Member</td><td>Composition of Committee</td></tr>
<tr><td>Mr. K. Jairaj</td><td>Chairman (Independent Director)</td></tr>
<tr><td>Dr. Ravindra H. Dholakia</td><td>Member (Independent Director)</td></tr>
<tr><td>Mrs. Meera Shankar</td><td>Member (Independent Director)</td></tr>
<tr><td>9.</td><td>Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</td><td colspan="2">As mentioned above, the Board of the Company has constituted a Corporate Responsibility Committee comprising solely of the Independent Directors, which meets on a quarterly basis.</td></tr>
</table>

10. Details of Review of each NGRBCs by the Company

<table>
<tr><th rowspan="2">Subject for Review</th><th colspan="9">Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee</th><th colspan="9">Frequency (Annually/ Half yearly/ Quarterly/ Any other - pls specify)</th></tr>
<tr><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td>Performance against above policies and follow up action</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td>Y</td><td colspan="9">Quarterly</td></tr>
<tr><td rowspan="2">Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances.</td><td colspan="2">P1</td><td colspan="2">P2</td><td colspan="2">P3</td><td colspan="2">P4</td><td colspan="2">P5</td><td colspan="2">P6</td><td colspan="2">P7</td><td colspan="2">P8</td><td colspan="2">P9</td></tr>
<tr><td colspan="2">Yes</td><td colspan="2">Yes</td><td colspan="2">Yes</td><td colspan="2">Yes</td><td colspan="2">Yes</td><td colspan="2">Yes</td><td colspan="2">Yes</td><td colspan="2">Yes</td><td colspan="2">Yes</td></tr>
<tr><td rowspan="2">11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.</td><td colspan="2">P1</td><td colspan="2">P2</td><td colspan="2">P3</td><td colspan="2">P4</td><td colspan="2">P5</td><td colspan="2">P6</td><td colspan="2">P7</td><td colspan="2">P8</td><td colspan="2">P9</td></tr>
<tr><td colspan="2">NO</td><td colspan="2">NO</td><td colspan="2">NO</td><td colspan="2">NO</td><td colspan="2">NO</td><td colspan="2">NO</td><td colspan="2">NO</td><td colspan="2">NO</td><td colspan="2">NO</td></tr>
</table>

Section C: Principle wise Performance

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.

1. **Percentage coverage by training and awareness programs on any of the principles during the financial year:**

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programs
Board of Directors	01	• Regulations and concession agreement • Employee well-being, Korn Ferry's Four-Dimensional Executive Assessment • Environmental well-being and sustainable services, sustainability and inclusive growth • Service quality, marketing for imported coal In India	100% (Independent Directors)
Key Managerial Personnel	52	• Prevention of sexual harassment • Mental Health Awareness • Adani Behavioral Competency Framework • Online Percipio Training • Compliance • Sustainability and inclusive growth • Insider Trading	75%
Employees other than BoD and KMPs	1,324	Safety, Technical and Behavioral Training	79%
Workers	30	Safety, Technical and Behavioral Training	2%

2. **Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format:**

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty / Fine	0	0	0	0	0
Settlement	0	0	0	0	0
Compounding Fees	0	0	0	0	0

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes / No)
Imprisonment	0	0	0	0
Punishment	0	0	0	0

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes. The Company has an Anti-Corruption and Anti-Bribery policy (ABAC) in place.

   Weblink: https://www.adanitransmission.com/investors/corporate-governance

   Number of Directors / KMPs/employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

5. **Details of complaints with regard to conflict of interest:**

	FY 2021-22 (Current Financial Year)		FY 2020-21 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Not Applicable	0	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Not Applicable	0	Not Applicable

6. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.**

   Not Applicable

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current FY 2021-22 (₹ Lakh)	Previous FY 2020-21 (₹ Lakh)	Details of improvements in environmental and social impacts
R&D	31.98	3.70	**Major Details of Improvements:** • Enhancement of Safety Measures by technology intervention • Installation of Water Meter for Water consumption measurement and further reduction • Use of UAV (Unmanned Aerial Vehicle) for Transmission Line Inspection which reduces the manual patrolling and save fuel consumption.
Capex	NA	5.0	

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?**

   Yes. The Company has a Suppliers' Code of Conduct stating specific expectations for engaging with suppliers. The Suppliers' Code of Conduct facilitates collaboration with our suppliers in the promotion of professional and fair business practices. Our objective is to ensure that we minimize our potential impacts on people and on the environment, and that we manage business and reputation risks while capitalizing on opportunities. For example, we make efforts to source supplies and services from local sources where possible. We also organize various capacity building programs for our value chain partners.

   We also encourage our suppliers to be compliant with social and environmental standards such as SA8000, ISO 14001, and ISO 45001. All our suppliers are expected to apply the Suppliers' Code of Conduct or more stringent standards in a manner that is appropriate and proportional to the nature and scale of their activities, the goods that they supply and the services that they perform.

   Company has classified its suppliers and identified critical suppliers based on value of business and nature of supply. Company has also developed ESG Score for its Suppliers and evaluated all these critical suppliers on various aspects of ESG and Sustainability. All critical suppliers of the company have scored and passed on Sustainability and ESG Score card of the Company. However, we are working to improve the system to map the percentage of input sources sustainably.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   Given the nature of its business, the Company has limited scope to reuse, recycle and dispose off the products, at the end of their life.

   However, the Company has defined processes for managing waste at each of its sites/locations. The hazardous wastes are handled, segregated, stored and transported in accordance with applicable regulatory requirements and best industry practices.

   The hazardous waste is disposed of in an environmentally sound manner through authorized vendors for recycling as required by regulation.

   Apart from hazardous waste, the most significant types of non-hazardous waste streams scrap metal, wood waste, glass, tires, e-waste, cardboard, and paper. Our strategic intent is to eliminate or reduce the generation of waste to divert waste from disposal through reuse and recycling wherever possible. With constant efforts in reducing the generation of waste and adopting ecofriendly practices for waste disposal, ATL is certified with Zero Waste to Landfill certificate with over 99% generated diverted from Landfill.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Owing to the nature of the Company's product/service offerings, EPR is not applicable to the Company.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

1. a. **Details of measures for the well-being of employees:**

   Our people form an integral part of our journey towards transformational, responsible and sustainable change. Our people policies are designed to provide an excellent work environment which is safe, conducive, harmonious and support all round development of our employees. Our efforts to nurture our Human Capital are in alignment with our ESG commitment.

Category	Total (A)	% of Permanent employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Male	4,768	4,768	100%	4,768	100%	NA	NA	535	11%	NA	NA
Female	337	337	100%	337	100%	337	100%	NA	NA	NA	NA
Total	**5,105**	**5,105**	**100%**	**5,105**	**100%**	**337**	**100%**	**535**	**11%**	**NA**	**NA**
Other than Permanent employees											
Male	NA										
Female											
Total											

b. **Details of measures for the well-being of workers:**

To ensure safety and well-being at workplace, we conduct various trainings for all our employees as well as contractual workers. We focus on making the trainings relevant and practical by engaging our workforce in different modules. We also conduct various awareness and health promotion activities for our employees and contractual workers.

To protect our employees and contractual workers, appropriate personal protective equipment's (PPEs) are also provided.

Category	Total (A)	% Of Workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	NA										
Female											
Total											
Other than Permanent Workers											
Male	5,937	NA	NA	5,937	100%	NA	NA	NA	NA	NA	NA
Female	136	NA	NA	136	100%	NA	NA	NA	NA	NA	NA
Total	**6,073**	**NA**	**NA**	**6,073**	**100%**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2021-22 Current Financial Year			**FY 2020-21 Previous Financial Year**		
	No.of employees covered as a % of total employees	No.of workers covered as a % of total workers	Deducted & deposited with the authority (Y/N/N.A.)	**No. of employees covered as a % of total employees**	**No. of workers covered as a % of total workers**	**Deducted and deposited with the authority (Y/N/N.A.)**
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	NA	100%	Y	NA	NA	Y
Others – Pls specify	Refer "Safety & Wellbeing to fight against COVID (details as below)"					

Safety & Well being to fight against COVID -

Safety & Wellbeing of employees & their families is always ATL's top priority. The fact is known to all that the pandemic had hit hard to all including few of our employees during 2021-22. The organization has taken proactive steps to ensure medical care, preventive measures and emotional support is provided to employees, associates & community at large. Following benefits were extended to the employee & families:

- **Vaccination drive for all employees & their family members across India**
    - ATL employees being the front-line warriors had ensured 99.70% of asset availability in such tough times and as a organization, the COVID vaccination was provided free of cost to all the employees including their family members as a proactive measure to fight against covid
- **Extensive sanitization drive, covid prevention communication & implementation of strict protocols**
- **Exceptional ex-gratia payment to the family of deceased employee**
    - The family of the deceased employee (who passed away during COVID Pandemic) received exceptional ex-gratia of ₹1.0/- Crore
- **Medical assistance to family**
    - The Company arranged mediclaim insurance for the spouse and children of the deceased employee.
- **Reimbursement of accidental death insurance premium for spouse**
    - The spouse will be covered under the Group Personal Accident (GPA) corporate policy. Alternatively, the Company will reimburse an annual premium up to ₹20,000/- for accidental / life term cover of the spouse of the deceased employee for 5 years from the date of the employee's death.
- **Outplacement services for family of deceased**
    - A professional outplacement agency is hired to provide assistance to spouse of deceased employee from preparation of resume, getting connect with recruiters, & to support in the interview process.
- **COVID Management of COVID Infected employee**
    - All employees who got infected were monitored on daily basis. The monitoring was done by qualified company doctor. Counselling & emotional support was also extended for successful & speedy recovery from COVID.

3. Accessibility of workplaces

At all our offices, we have made special provisions for differently abled employees and workers in accordance with Rights of Persons with Disabilities Act, 2016. We strongly promote equal opportunities for everyone, and we acknowledge the importance of having diverse and equitable work environment. We have designed workplaces for providing assistance or making changes to a position or workplace to enable employees with disabilities for carrying out their jobs.

At our corporate offices, we have ramps at entry locations and lobbies to facilitate wheelchairs. We have dedicated toilets for differently abled employees. We have elevators with Braille signs, designed for blind people or visually impaired people. Our other locations also comply with all the national/local requirements to accommodate differently abled person and their needs.

All the Company's existing and new infrastructure has implemented comprehensive plan to address accessibility of workplaces for differently abled employees, work areas, rest rooms, common areas and areas for movement in and around facilities have been designed with all accessibility aspects in mind.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company is committed to delivering value through equality and to nurture and promote human diversity across its operations.

We promote an inclusive work culture of creating a supportive professional environment that promotes trust, empathy, and mutual respect. Our policy on Diversity, Equality, and Inclusion has been developed in line with our commitment.

Weblink:https://www.adanitransmission.com/media/Project/Transmission/CorporateGovernance/Corporate-Policies-related-to-Good-Governance/Diversity-Policy-for-Adani-Transmission.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	90%	NA	NA
Female	100%	100%	NA	NA
Total	**100%**	**90%**	**NA**	**NA**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

(If yes, then give details of the mechanism in brief)	
Permanent Workers	NA
Other than Permanent Workers	Adani Transmission Energy Distribution Arm i.e., Adani Electricity Mumbai Limited (AEML) handles grievances through "Charter of Demand" and Consultation with Representatives
Permanent Employees	Yes. An online grievance redressal mechanism is available for permanent employees and workers. The system is designed to redress the grievance within a defined timeline of 14 working days. The grievances are resolved in fair and time bound manner maintaining utmost confidentiality.
Other than Permanent Employees	NA

7. **Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

ATL respects its employees' rights to Freedom of Association and Collective Bargaining as per the provisions of International Labor Organization (ILO).

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees	**5,105**	**3,027**	**59%**	**5,440**	**3,157**	**58%**
- Male	4,768	2,871	60%	5,092	2,998	59%
- Female	337	156	46%	348	159	46%
Total Permanent Workers	**0**	**0**	**0**	**0**	**0**	**0**
- Male	0	0	0	0	0	0
- Female	0	0	0	0	0	0

8. **Details of training given to employees and workers:**

Category	FY 2021-22 Current Financial Year					FY 2020-21 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	4,768	4,233	89%	3,795	80%	4,949	4,427	89%	2,126	43%
Female	337	335	99%	560	166%	348	348	100%	231	66%
Total	**5,105**	**4,568**	**89%**	**4,355**	**85%**	**5,297**	**4,775**	**90%**	**2,357**	**45%**
Workers										
Male	5,937	5,937	100%	6,598	111%	6,293	3,682	59%	2,694	43%
Female	136	136	100%	526	387%	189	111	59%	171	90%
Total	**6,073**	**6,073**	**100%**	**7,124**	**117%**	**6,482**	**3,793**	**59%**	**2,865**	**44%**

9. **Details of performance and career development reviews of employees and worker:**

We have a robust Performance Management process with an objective to establish utmost clarity in terms of the process to be followed at each step and what is expected from all the stakeholders involved. The process covers activities related to measuring performance of all employees as part of the year-end review, rating & promotion recommendation, moderation, and individual feedback. We also have a performance review group (PRG) consisting of a group of people who discuss the performance and behavioral aspects of an individual.

All the employees undergo an annual performance appraisal process as determined by the Company.

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	4,768	4,763	99%	4,949	4,904	99%
Female	337	335	99%	348	348	100%
Total	**5,105**	**5,098**	**99%**	**5,297**	**5,252**	**99%**
Workers						
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, providing a safe and healthy working environment to all employees and contract workers is paramount to ATL. ATL strives to create a mature safety culture across its operations and a behavioral change among employees by engaging the total workforce in safety-related conversations and activities throughout the year. The majority of risks for ATL business arise from high voltage substations and construction activities. ATL being an ISO 45001:2018 certified organization is working meticulously to achieve the target of zero fatalities. The organization is working across its value chain by mapping safety risks across its contractors and vendors. ATL also conducts an in-depth inquiry into lost time incidents and fatalities followed by a detailed action plan to mitigate the causes with immediate effect. The Company deepened its safety orientation through Safe Eye (induction for recruits), Safe Connect (periodic corporate conference call to share safety practices), Safe Alert (Health, Safety and Environment alerts) and Safe Library (online content library). Besides, the Company conducted periodic safety audits of under-construction and operational sites.

ATL identifies and manages hazards, risks, and emergencies as per the framework of ISO 45001:2018 standard. Policies and procedures adopted and established by ATL, which govern the organisation's Health and Safety practices are - Safety Code of Conduct, Corporate Sustainability Policy, Health and Safety Policy.

The businesses have also linked Group Safety Management System with their existing Integrated Management System (IMS), e.g., ISO 14001 (EMS), and ISO 45001 (OHSMS).

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Adani Group has established and aligned globally recognized high level Safety Intervention and Risk Assessment programs such as Safety Interaction (SI), Vulnerability Safety Risks (VSR), Safety Risk Field Audits (SRFA), Process Hazard Analysis (PHA), and Pre-Startup Safety Review (PSSR) with Business specific Integrated Management System based Hazard Identification and Risk Assessment Process, e.g.,Hazard Identification and Risk Assessment (HIRA) and Job Safety Analysis (JSA). The Company has adopted this framework and the reporting businesses have developed an ecosystem of participative and consultative approach for engaging concerned stakeholders, including, employees, associates, and contract workmen.

The Company recognizes that the dynamic risks need to be managed and mitigated as per Hierarchy of Control to protect its stakeholders and achieve objective of Zero Harm with enablement of Sustainable Growth.

The various processes adopted and implemented by ATL to identify work related hazards are:

- Conducting Safety Risk Field Audits (SRFA) by visiting various sites frequently
- Conducting Hazard Identification and Risk Assessment (HIRA) of all the activities
- By carrying out Vulnerability Risk Assessment (VSR)
- Evaluating various critical areas using safety checks and assurance (SCA)

These interventions bring together an understanding of the potential upside and downside of all job and personal factors which can impact the organization with an objective to prevent injury, protect assets and add maximum sustainable value to all the activities and processes of the organization.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, ATL has adopted a group-wide Safety Standard for Incident Reporting and Investigation for assessing safety incidents to prevent recurrence in the future. The Safety Incident Reporting, Classification, and Investigation Standard sets the organization's safety requirements and has been upheld as Life Saving Safety Rules.

The incident investigation process contributes to the continuous improvement of safety systems and performance by:

- Identifying and implementing actions to prevent an incident recurrence.
- Promoting an atmosphere of openness by improving communications and understanding about the incident.
- Providing input to the development and improvement of safety policies, procedures, guidelines, and standards.
- Identifying and appreciating good actions taken by people, which contributed to reducing the consequences.

Under the safety standard, the incidents are classified into five categories based on the degree of severity/potential for injury/damage. Each category has defined incident reporting with an established investigation procedure.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the employees and workers have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Numbers	Category	Current FY (2021-22)	Previous FY (2020-21)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)*	Employees	0.86	0.59
	Workers		
Total recordable work-related injuries**	Employees	74	0
	Workers	42	14
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Note:

* LTIFR data included employees and workers

** Includes First-Aid Case, Medical Treatment Case and Lost Time Injury

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

1) Daily morning meeting with O&M Team and Weekly morning meeting with Projects team is conducted to discuss the various incidents reported across the group. Take away's from these incidents are extracted and tracked on daily basis.

2) Safety Checks and Assurances (SCA) - In view to develop robust process / system to strengthen the safety and increase the confidence of top management in effectiveness of safety management at site, Quarterly Safety checks and assurance on three (03) pre-declared topics are given by each Transmission site at the beginning of month.

3) Mr. Tower - On monthly basis all the colleagues in ATL are connected in group talk through MS Teams wherever they are located. This two-way communication enables employees to discuss the focus area, efforts done for safety excellence and performance sharing. Top officials also do share their expectation and demonstrate the commitment involving talk at each level. In FY 21-22, we did thirty four (34) such sessions.

4) Critical Vulnerability Factors (CVF's) based on various High potential incidents are defined and status of its implementation is tracked on monthly basis.

5) We have strong Safety Governance mechanism in which Senior leadership team is involved actively and Business Safety council meetings are conducted every bi-monthly.

6) Safety Risk Field Audits (SRFA) are carried out across all the sites on weekly basis to evaluate the Safety Performance Index of an overall site.

7) "Monthly Safety Quiz Series" (MSQS) has been launched in ATL with a purpose to create an awareness among all the safety standards released by Group Safety. It is conducted on monthly basis and each standard is covered in a single month.

8) In the month of May "May Safe" series conducted across the ATL with an aim to train the colleagues on various aspects of safety. This is done by following various safety standards and practicing the same. like
   - Permit To Work (PTW) and Job Safety Analysis (JSA)
   - LOTO (Lock Out Tag Out)
   - Gensuite Reporting
   - Electrical Safety
   - Work at Height
   - Road, Vehicle, Driving, Traffic safety (RVDTS)
   - Material Handling Safety
   - Warehouse Safety
   - Confined Space Safety

13. **Number of Complaints on the following made by employees and workers:**

Category	Current FY (2021-22)			Previous FY (2020-21)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. **Assessments for the year:**

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	All our sites are assessed on Health & Safety parameters.
Working Conditions	

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

- Implementation of Technology based solution to monitor various safety statistics of two (02) and four (04) wheelers plying across different locations. With an aim to bring down the Vehicular accidents.
- Use of 360 Degree swivel coupling for all the tractors.
- Use of Fiber Reinforced Plastic (FRP) ladders for all the Electricity related works.
- Installation of 30mA(milli Amperes)Earth Leakage Circuit Breaker (ELCB) in all the Low Voltage (LV) electrical circuits.
- Use of New Generation Hydra vehicle with improved safety features i.e. improved visibility for operator, Use of Wheel Guards, improved balancing of vehicle to avoid toppling instance.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

1. **Describe the processes for identifying key stakeholder groups of the entity.**

We believe that engagement with stakeholders is key to understanding their needs, working with them to minimize risks, maintaining social legitimacy, improving credibility, and gaining their trust.

We identified our stakeholders as groups and individuals, who can influence or/ are impacted by our operations/ activities, change in technology, regulations, market, and societal trends either directly or indirectly which comprise of communities, employees, supply chain partners, customers, investors, regulators, and civil society organizations for all its operations. We commit to engage openly and authentically with our stakeholders to enhance cooperation and mutual support for a sustainable relationship.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Key identified stakeholders	Whether identified as Vulnerable and marginalized group (Yes/No)	Channel of communication	Frequency of engagement	Purpose and scope of engagement
Human Resources (employees and families)	No	• Performance appraisal • Newsletters • HR online surveys • Emails • Town Hall / open-house meetings • Health, Safety and Environment (HSE) committee meetings and safety alerts • Apex meetings • Policy communication • Portal/intranet • Get-togethers • Co-created HR policy • HR connects • Open-door policy • Online survey	Continuous, monthly, half-yearly and need-based	• Respect and dignity • Non-discrimination and fair treatment • Talent management, learning and skill development • Career planning and growth • Work-life balance • Work environment • Health and safety • Fair remuneration, job clarity and job security • Grievance redressal • Proactive communication • Ethical behavior
Shareholders, investors, financial institutions and auditors	No	• Annual Reports • Sustainability Reports • Annual General Meetings • Communication to stock exchanges • Investor engagements • Quarterly conference calls • Rating agency notes • Engagement with research analysts • Information on website	Quarterly, Annual, and need-based	• Compliance to laws and regulatory requirements • Return on investment/ dividend • Timely interest and debt repayment • Social and environment performance • Company strategies • Corporate governance • Timely communication • Anti-corruption and ethical behavior

Key identified stakeholders	Whether identified as Vulnerable and marginalized group (Yes/No)	Channel of communication	Frequency of engagement	Purpose and scope of engagement
Customers	No	• Emails • In-person meetings/letters • Telephone calls • Progress and performance reports • Feedback call from the CEO's office • 24x7 call center • Chatbot • Touch Point/Kiosk	Continuous, Need based	• Conformity to contractual • conditions, SLAs and availability • Compliance with regulatory requirements • Grievance redressal • Anti-corruption and ethical behavior • System availability • Uninterrupted power supply • Safe product
Governments, Local Administration and Statutory and Regulatory Authorities	No	• Emails • In-person meetings/letters • Telephone calls • Progress and performance reports • Petitions • Accident incident reports • Returns under applicable laws	Continuous, Need based	• Compliance and taxes • Timely responses to queries • Anti-corruption • Disaster and relief management • System reliability • CSR • Cyber security management • Information security management
Engineering, Procurement and Construction (EPC) and Supply Chain Partners	No	• Contract/general conditions of contract audits • Feedback and evaluation reports • Vendors/ partners meet • In-person meetings • Toolbox talks • HSE meetings • Emergency response drills • Progress reports • Monthly meetings • Online survey	Continuous, Need based	• Fairness and transparency in contractual processes • Competence development of supply chain partners • Security at workplace • Timely payment and honoring commitments • Long-term association • Clarity in terms and conditions • Guidance and co-ordination related to quality, environment, health, and safety at site • Anti-corruption and ethical behavior

Key identified stakeholders	Whether identified as Vulnerable and marginalized group (Yes/No)	Channel of communication	Frequency of engagement	Purpose and scope of engagement
Local Communities, NGOs and General Public	Yes	• Community engagement and local community meetings • Newspapers and CSR volunteers • Hoardings • One-on-one meetings with farmers • Gram Panchayat / Gram Sabha • Sustainability Reports • Focused group discussion	Continuous, Need based	• Social need identification and community welfare • Grievance redressal • Fair process and evaluation of any losses and compensation • Proactive communication • Environmental protection and nonpollution • Indigenous rights • Emergency response and disaster management
Media	No	• Annual Reports • Sustainability Reports as per standard practice • Annual General Meetings • Communications • Information on website • Press / media release	Need based	• Statutory compliance • Community development • Public health and well-being • Inclusive growth • Wider public engagement

Principle 5: Businesses should respect and promote human rights

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Total (A)	No. employees of workers covered (B)	% (B/A)	Total (C)	No. employees of workers covered (D)	% (D/C)
Employees						
Permanent	5,105	905	18%	5,297	680	13%
Other than permanent	NA	NA	NA	NA	NA	NA
Total Employees	**5,105**	**905**	**18%**	**5,297**	**680**	**13%**
Workers						
Permanent	0	0	0	0	0	0
Other than permanent	6,073	0	0	6,482	0	0
Total Workers	**0**	**0**	**0**	**0**	**0**	**0**

Note: The data mentioned above is for permanent employees only. As a part of our learning and development strategy we ensure that all the employees have access to Human Rights training and there are E-modules on the relevant topics in the learning management tools. The onboarding exercise for all new employees includes Human Rights awareness as part of their induction session. This induction session is held on monthly basis and focuses on aspects of Prevention of Sexual Harassment (POSH) and Code of Conduct.

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2021-22 Current Financial Year					FY 2020-21 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees & Workers										
Permanent	The wage rates in scheduled employments differ across states, sectors, skills, regions, and occupations owing to various factors. Hence, there is no single uniform minimum wage rate across the country and the revision cycle differs for each state. However, minimum wages are paid and adhered to by the Company as per the minimum wage notification issued by the respective Central and State bodies for different establishments under the Minimum Wages Act and Rules.									
Male										
Female										
Other Permanent than										
Male										
Female										

3. **Details of remuneration / salary / wages, in the following format:**

Category	Male		Female	
	Number	Median remuneration / salary / wages of respective category (₹ Cr.)	Number	Median remuneration / salary / wages of respective category (₹ Cr.)
Board of Directors (BoD)#	5	9.0	2	0*
Key Managerial Personnel (KMP)^	2	2.5	0	0
Employees other than BoD and KMP	4,766	0.12	337	0.2
Workers	NA	NA	NA	NA

*No Pecuniary relation except sitting fees for Board Meeting.

#BoD includes Managing Director and Chief Executive Officer (MD & CEO is same for ATL).

^KMP includes Chief Financial Officer, and Company Secretary.

4. **Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. Adani Grievance Management System

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Group Industrial Relations team in collaboration with our BU-HR Team and the Group HR Technology Team has developed an online grievance redressal mechanism for our on-roll employees which will be available for use through our Oracle HRMS Portal. This system is christened as the "Adani Employee Grievance Management System".

Adani Employee Grievance Management System has been designed with the following intent:

- To provide employees a fair and objective system to raise issues and complaints without any bias.
- To have in place a formal grievance procedure that supports employees to raise their concerns/grievances without the fear of any negative repercussions.
- To instill within our employee's the belief that their concerns will be taken seriously and handled fairly and transparently. This will in turn help to bolster staff morale and maintain levels of productivity.
- To aid the management in identifying any unacceptable or unlawful gaps in the current system of working.
- To help the management in identification and resolution of minor disagreements before they turn into major disputes.

Adani Employee Grievance Management System works in the following manner:

- Employee would raise his/her grievances through the oracle portal.
- Grievance Life cycle is of 14 days within which the grievance raised by every employee shall be resolved.
- The resolution of the grievances shall be governed by the Grievance Redressal Committee (GRC) of the Transmission Business who will be responsible for ensuring the resolution of employee grievances along with the key stakeholders involved in the grievance resolution process. The key stakeholders involved in the grievance process are HR Shared Services (HRSSC), Site/BU-HR, Department Heads and BU-Head HR.
- The employee would be responded to by Secretary of the GRC & the Stakeholder informing him/her on the outcome status of grievance.

6. **Number of Complaints on the following made by employees and workers:**

Category	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labor	0	0	NA	0	0	NA
Forced Labor / Involuntary Labor	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The POSH policy has the mechanism for addressing complaints pertaining to sexual harassment. All complaints related to sexual harassment are taken up by the Internal Complaint Committees (ICCs), which are governed under strict confidentiality and there are defined procedures to protect complainant from any retaliatory actions.

The employee can also raise any other grievances through the online grievance portal. The system is designed to redress the grievance within a defined timeline of 14 working days. The grievances are resolved in fair and time bound manner maintaining utmost confidentiality. However, no such cases of harassment and discrimination were reported during the FY 22.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, The Human rights related requirements are covered as a part of the vendor onboarding process through ARIBA portal.

9. **Assessments for the year:**

We have defined systems for ensuring compliance with regulatory requirements. There is a Code of Conduct for employees and Suppliers' Code of Conduct to ensure conformity with business ethics and human rights requirements. Also, the human rights criteria are screened through online ARIBA portal during vendor onboarding process. In addition, we review compliance with these requirements during contract execution. In all our business units, it is mandatory to check the age proof documents at the time of recruitment to prevent employment of child labor and during the induction session essential business ethics and human rights related aspects are covered for creating awareness among employees.

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	We are complied with all applicable laws and no complaint or issues were found on any of these issues.
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

    Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format**

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total electricity consumption (A)	GJ	81305	24864
Total fuel consumption (B)	GJ	33777	59853
Energy consumption through other sources (C)	GJ	-	-
Total energy consumption (A+B+C)	**GJ**	**115082**	**84717**
Energy intensity per Million Rupee of Revenue (Total energy consumption/ turnover in rupees)	GJ/Million Rupees	0.97	0.81
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment / evaluation Assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by DNV Business Assurance India Pvt. Ltd. and its report shall form part of this Integrated Annual Report.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   - Yes, Adani Dahanu Thermal Power Station is identified as a designated consumer (DC) under PAT Scheme.

     PAT - 1 Cycle
     Target - 2523 kcal/Kwh
     Achieved - 2511.71 Kcal/Kwh
     Escerts - 4591 Nos

   - PAT-2 Cycle

     Target - 2519.42 kcal/Kwh
     Achieved - 2495.4 Kcal/Kwh
     Escerts - 8749 Nos

3. **Provide details of the following disclosures related to water, in the following format#**

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	15,76,876	17,40,440
(ii) Groundwater	40,884	25,200
(iii) Third party water	32,518	24,170
(iv) Seawater / desalinated water	46,54,95,317	37,75,34,000
(v) Others	1,47,898	86,860
Total volume of water withdrawal (in kiloliters) (i + ii + iii + v)	**17,98,176**	**18,71,960**
Total volume of water consumption (in kiloliters)	**17,98,176**	**18,71,960**
Water intensity per rupee of turnover (Water consumed, KL / Million Rupee Revenue)	15.16	17.90
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation Assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by DNV Business Assurance India Pvt. Ltd. and its report shall form part of this Integrated Annual Report.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

- ADTPS (Adani Dahanu Thermal Power Station) is certified with ISO 46001 Water Efficiency Management System.
- ADTPS has two sewage treatment plants of capacity 500CMD & 300 CMD for colony & plant.
- Domestic effluent is collected in the inlet well from sewerage drains. This effluent is pumped into grit chamber to separate out the large size suspended particles.
- Filtered effluent is then passed through the aeration tank in which BOD of effluent is reduced
- Aerated effluent then enters in clarifier. In clarifier the heavy sludge settles at the bottom & clear water overflows in to settling tank.
- Clarified water then passes through the Pressure Sand Filter & Activated Carbon Filter and finally used for plantation.
- With the help of sludge disposal pump, settled sludge is spread over sludge drying bed in which natural drying takes place for around 15-20 days.
- This dried sludge is used as a manure for plants.
- Treated effluent as well as dried sludge is used only for lawns & non fruit bearing plants.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
NOx	Metric Tonnes	3,571.6	2,989.9
SOx	Metric Tonnes	2,106.4	1,407.2
Particulate matter (PM)	Metric Tonnes	454.0	379.3
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

Note: The above Data is for Adani Dahanu Thermal Power Station (ADTPS)

The air emission sources (stacks, chimneys etc.) are monitored on a defined frequency by an approved laboratory/agency as mandated by the Central and respective State Pollution Control Boards. The details of air emissions are submitted to PCB annually in Form-5 (Annual Environment Statement).

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format#**

Parameter	Unit	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO2 equivalent	26,91,062	25,98,972
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO2 equivalent	5,57,775	6,14,281
Total Scope 1 and Scope 2 emissions per rupee of turnover	Mt of CO2/ Million Rupee of Revenue	27.39	30.73
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity	NA	NA	NA

GHG emissions data is reported for Company's Generation, Transmission and Distribution Business

Indicate if any independent assessment/ evaluation Assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, this data has been subject to independent assurance by DNV Business Assurance India Pvt. Ltd. and its report shall form part of this Integrated Annual Report.

7. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**

In line with ATL's target to meet India's Climate Change (NDC) commitments of emission reduction, the Company has taken various initiatives such as:

- Unit : 01 (U1) Replacement of HP (High Pressure) & Intermittent Pressure (IP) Turbine – Over Hauling (OH) of LP Turbine
- Reduction in slip loss of Boiler Feed Pump (BFP) No :1B hydraulic coupling in Unit : 01 (U-01)
- Using Solar to Offset Auxiliary consumption from Grid
- Monitoring and optimized utilization of Diesel in Diesel Generating (DG) Set
- Monitoring Sulfur Hexaflouride (SF_6) Gas leakage through latest technology cameras
- Certification of >99 % Zero Waste to Land Fill

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Total Waste generated (in metric tons)		
Plastic waste **(A)**	5.34	23.07
E-waste **(B)**	350.47	220.28
Bio-medical waste **(C)**	0.01	0.00
Construction and demolition waste **(D)**	0.00	0.00
Battery waste **(E)**	23.13	26.71
Radioactive waste **(F)**	0.00	0.00
Other Hazardous waste*. Please specify, if any. **(G)**	286.99	167.76
Other Non-hazardous waste* generated (H). Please specify, if any., Tons	2,956.82	2,303.98
Total (A+B+C+D+E+F+G+H)	**3,622.75**	**2,741.80**

Parameter	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled	3,614.89	2,752.99
(ii) Re-used	0.30	0.31
(iii) Other recovery operations	0.02	0.01
Total	**3,615.20**	**2,753.31**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration	6.95	7.57
(ii) Landfilling	23.25	16.16
(iii) Other disposal operations	0.00	0.00
Total	**30.20**	**23.74**

* Refer Sr. No 9 (Principle 6) for Major categories of Hazardous and Other Non-Hazardous Wastes.

Waste Disposal:

Sl. No.	Type of Waste	UOM	FY21-22	FY20-21
1.	E Waste	Metric Tonne	345.69	157.00
2.	Hazardous Waste	Metric Tonne	315.41	193.56*
3.	Non-Hazardous Waste	Metric Tonne	3,259.44	16,300.48**

Note:

* Includes Battery Waste

** Includes Plastic Waste

Indicate if any independent assessment/ evaluation Assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Waste disposed is assured by independent external agency i.e. DNV BUSINESS ASSURANCE INDIA PVT. LTD. For Waste Generation data, we are in the process of developing a comprehensive ESG report for Company's alignment with BRSR, GRI and WEF-ESG metrics, and independent assurance will be carried out by a third party on the report in due course. Any discrepancy on BRSR data, noted during the assurance engagement will be updated in the ESG report accordingly and placed in public domain.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

   The waste management in all ATL Businesses (Generation, Transmission & Distribution) is carried out in accordance with environmental and legal requirements and the process is defined and followed as per approved SOP.

Following are the major categories of waste generated in company:

Hazardous Waste	Non-Hazardous Waste	E-Waste & Batteries
• Oil Drums • Used Transformer Oil • Used/ Spent Oil • Waste / Residue • Containing Oil MS barrel • Waste Resin • Waste Bitumen compound • Empty Contaminated Drums	• Wood Scrap • Plastic Scrap • Steel Scrap (tower material) • Aluminum Scrap (conductors) • GI Scrap • Metal Scrap • Aluminum Scrap (others) • Scrap Rubber • Scrap Copper • Scrap Corroded APH Baskets • Saw dust • MS scrap • Reinforcement steel • Cables	• Transformer • Mv Vfd Panel • Used Batteries • Switchgear • Meters • Capacitors • Relays • Igniters • Fuses

All business has defined criteria to segregate waste into mainly three categories: Hazardous Waste, Electronic and Electric Waste and Non-Hazardous wastes (or solid waste including metals and plastic).

The waste disposal is carried out in well-defined, standardized manner and complying with environmental and legal requirements. Following are the time frames adopted by AEML complying with environmental and legal requirements for safe disposal of wastes:

Type	Env. & Legal requirements?	Time frame for disposal
Hazardous	Yes	Disposal within 90 days*
Electronic & Electric (including meters)	Yes	Disposal within 180 days
Non-Hazardous	No	Transmission: - Disposal within 120 days Distribution: - Disposal within 365 days Generation: - Need based disposal

*Note: The Maharashtra Pollution Control Board (MPCB) has extended the stipulated time for disposal to 180 days owing to COVID- 19 restriction

The Central Procurement Group (CPG) organizes vendors for sale or disposal of waste in accordance with environmental & legal requirements. Vendors having Consent to Operate (CTO) issued by local regulator are prioritized over others.

The hazardous waste and other waste are disposed through appointed vendors (e.g., Mumbai Waste Management Ltd.) as per local regulations. Other solid and non-hazardous waste are given interested vendors either recycling/reusing the material.

The material management group at each business follows a coordinated process for generating scrap disposal note to CPG. The respective material management groups coordinate with vendors, AEML accounts & security team for evacuation of waste material from sites.

AEML proactively appoints parties who are recycling / reusing the waste material and only non-reusable/ recyclable materials or as required under local regulations are incinerated or landfilled.

AEML is focused on minimizing its impact on environment by adopting best waste disposal methodologies. Accordingly, AEML has taken up following initiatives:

1. Zero Waste to Landfill:
    - AEML intends to divert >95% of waste generated away from landfill or incineration (including ASH generated at thermal power station)
    - ADTPS is already certified for Platinum Category in Zero Waste to Landfill.
2. Single Use Plastic Free Environment:
    - AEML intends to eliminate use of single use plastic from all its operating facilities
    - ADTPS is already certified for Single Use Plastic Free Environment

10. If the entity has operations/offices in around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Dahanu Thermal Power Station	Electricity Generation	Yes

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
EIA notification is not applicable for Transmission Business (Including Substations). Although ATL conducts ESAI (Environment and Social Impact Assessment) study voluntarily as per business requirements. Few of the ESIA studies conducted at LBTL (Lakadiya Banaskantha Transmission Line), Western Region Strengthening Scheme (WRSS) and KVTL (Kharghar Vikhroli Transmission Line)					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format.

S. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non-compliance and Distribution	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
1	For Transmission and Distribution Business Air & Water Act is not applicable No Non -compliance occurred at ADTPS			

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

1. **Number of affiliations with trade and industry chambers/ associations. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sr. no.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Electric Power Transmission Association (EPTA)	National and State
2	Northern Regional Power Committee (NRPC)	National and State
3	Confederation of Indian Industry (CII)	National and State
4	Federation of Indian Chamber of Commerce and Industry (FICC)	National and State
5	Association of Power Producers (APP)	National and State
6	Gujarat Chamber of Commerce and Industry (GCCI)	State
7	Independent Power Producers Association of India (IPPAI)	National and State
8	Ahmedabad Management Association (AMA)	State
9	Quality Circle Forum of India (QCFI)	National and State
10	India Business and Biodiversity Initiative (IBBI)	National and State
11	National Safety Council	National and State
12	Gujarat Safety Council (GSC)	State
13	GRI South Asia Charter on Sustainability Imperatives (GRI)	National and State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

Principle 8: Businesses should promote inclusive growth and equitable development.

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable: Social Impact Assessment (SIA) for the transmission business (including Substations) are not mandatory as per LARR Act (Land Acquisition, Rehabilitation and Resettlement Act), 2013 and its subsequent amendments. Transmission line (TL) does not lead to any physical displacement and hence Rehabilitation and Resettlement is not applicable for the projects. In Transmission Business only ROW (Right of Way) is involved for construction activities, compensation for ROW is being provided as per local administrative orders.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NIL	NIL	NIL	NIL	NIL	NIL

3. **Describe the mechanisms to receive and redress grievances of the community.**

   There is a designated person at the business locations/sites, who can be reached out to in case of any complaints or grievances from community members. These can be submitted orally or in writing. Additionally, the Program Officers working under the supervision of the CSR Head regularly engage with community stakeholders. Program Officers also serve as the first point of contact for the community to submit and redress grievances on a one-to-one basis.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2021-22 (Current Financial Year)	FY 2020-21 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	50%	51%
Sourced directly from within the district and neighboring districts	The Company shall start monitoring and reporting this data in future.	

Company Efforts towards Inclusive Growth and Equitable Development:

CSR Programs for Women:

“Saksham for women – Indian Institute of Women Skills” is an ‘Adani Brand Strategic CSR’ project, to improve the quality of life of the women in our society, especially those who are economically weak. ATL is committed to contributing to this program by engaging with its such segments in its consumer facing business geographies.

The objective of the project is development of the technical skills of women through specialized women’s skilling institutes and offer suitable opportunity to improve household income. The objective is to make women self-reliant. Selected geographies includes strong presence of consumer-facing businesses and communities with a deep Adani footprint.

Based on discussions with potential employers, skills in demand within the Adani group, ecosystem and other high-in-demand market skills, Saksham Program offers some of the identified skill development courses and suitable livelihood opportunities

1. Meter reading: Meter reading is one of the core activities in current electricity, gas and water distribution sector in India and requires exceptional work ethics from person delivering the service. The meter reader training course aids one in building capability in technical execution, interaction with customers, troubleshooting problems with utility meters, this ultimately results in perfect meter reading skills as per industrial standards such as electricity meter reading, gas meter reading, water meter reading, etc.
2. Bill distributors: Bill distributor course trains the participants in picking up and delivering bills to consumers, apartments, and interacting with the customers in duties such as electricity bill distribution, gas bill distribution, courier services, etc.
3. Local language call center: Training for local language call center equips participants in a vocal communication channel that customers use to report requests or complaints to a business in positions such as tele caller, customer care representative, etc.
4. Digital literacy: Digital literacy course develops the capability to use digital technology and knowing when and how to use it in jobs such as cash counter operator in malls and shops, computer operator, data entry operator, etc.
5. Self-employed tailors: Tailoring skill course is the foundation of self-employed livelihood generation as it provides additional scope for jobs in the garment industry, approved manufacturing sector, etc.
6. E-commerce delivery: This training course equips the participants to get jobs in the emerging e-commerce sector such as food delivery, online shopping delivery, etc.
7. Other skills training: As identified from time to time. e.g., soft skills training for existing women drivers in the Mumbai market to increase their employability in the organized cab service market as in Mumbai the demand for women drivers is increasing for women passengers. Other soft skills programs are also designed to train service agents for restaurants and other food delivery ventures, etc.

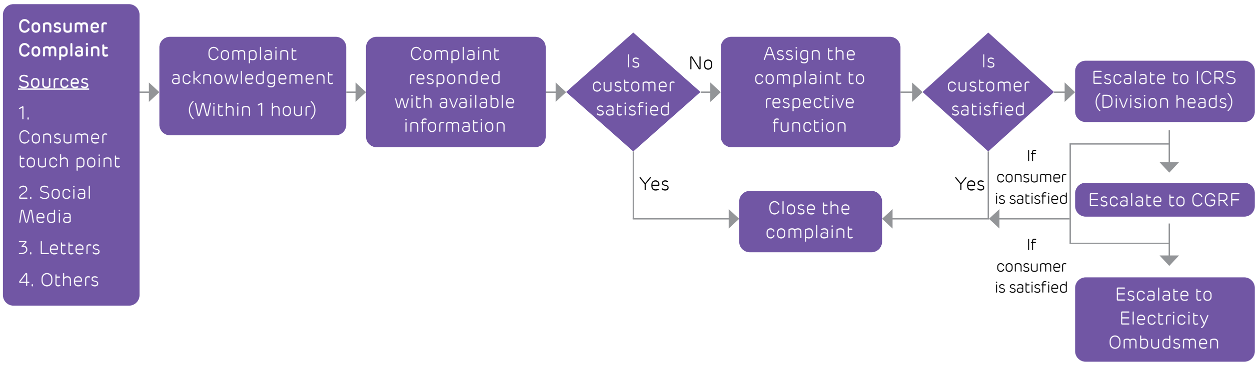
Total Women Trained	45 women
Total Women Deployed (under productivity-based contracts) in for Meter reading & bill Distribution in AEML in FY22	28 women
Impact on their livelihood	• Increase in their household income
	• Women (Bill Distributors) BD's & (Meter Readers) MR's are living with more freedom, self-esteem and self-confidence.
	• Good respect in the society as they are now working with an esteemed organization
	• Gender Biasness mindset has been erased as male dominated work has been effectively done by women
Future Plan / Target	• Deploy "All women team" for Bill Distribution & Meter Reading activities (under productivity-based contracts) in below zones by FY-23 (subject to qualifying on job criteria) of Retail Electricity Distribution Network (AEML)
	• Meghwadi – Andheri division
	• Kalina – Vandre division
	• Shimpoli – Borivali division

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   For the Adani Electricity Mumbai Limited (AEML) businesses, which is the only B2C business of the Company being reported herein, we have well defined systems for receiving and responding to consumer complaints and feedback. Consumers can share their complaint and feedback via email or through an online portal in our website. Timely and effective redressal of concerns/complaints raised by our stakeholders is a key priority for our businesses. All grievances are closed in a specified time with a final resolution.

   To ensure that consumer grievances are resolved with speed, we follow a robust Consumer Redressal Process Flow.



For more details refer "Customer Grievance Redressal Mechanism" section on Page No. 201.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable considering the nature of Company's product and services offerings
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints in respect of the following:**

	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA
Advertising	0	0	NA
Cyber-security	16	0	Complaint not addressed to AEML directly. Complaints addressed to local Govt authorities and AEML was respondent to the complaints
Delivery of essential services	5,50,623	0	No supply complaints received from consumers of AEML
Restrictive Trade Practices	0	0	NA
Unfair Trade Practices	0	0	NA
Other	69,587	0	General Service-related complaints received from consumers of AEML.

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	Not Applicable	Not Applicable
Forced recalls	Not Applicable	Not Applicable

5. **Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes, we have information privacy policy in line with its commitment to establishing and improving cyber security preparedness and minimizing exposure to associated risks.

   Weblink: https://www.adanitransmission.com/-/media/Project/Transmission/CorporateGovernance/Corporate-Policies-related-to-Good-Governance/Information-and-Security-Policy.pdf

   The B2C business of ATL i.e., Adani Electricity Mumbai Limited is certified with ISO-27001 Certified Information Security Management system has been established.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Not Applicable considering the nature of Company's product and services offerings.

DNV

Independent Verification Statement

Introduction

DNV Business Assurance India Private Limited ('DNV') has been commissioned by the management of Adani Transmission Limited ('ATL' or the 'Company', Corporate Identity Number: L40300GJ2013PLC077803) to carry out an independent customised verification of the selected sustainability performance data related to Natural Capital (Energy and Emission, Water and Waste) and Human Capital (Employees, Training and Occupational Health and Safety). These performance data set have been prepared by ATL using the Global Reporting Initiative (GRI) Standards (GRI Standards) for disclosure in its Annual Integrated Report of FY 21-22.

Our engagement has been carried out based on DNV's assurance methodology VeriSustainTM1, (customised verification procedure) as mutually agreed with ATL for the performance data detailed in Annexure - 1 and provides a limited level of verification while applying a ±5% materiality threshold for errors and omissions.

The intended user of this Verification Statement is the management of the Company (the 'Management'). The Management is responsible for all data and information provided to us for verification, as well as the processes for collecting, analysing and reporting the sustainability performance data in its BRSR report as part of its Annual Integrated Report. Our verification engagement is based on the assumption that the data and information provided to us is complete and true and free from material misstatement. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this verification statement. This exercise was carried out during May - June 2022 by team of sustainability professionals of DNV.

Scope, Boundary and Limitations of Verification

The scope of the verification includes the identified sustainability performance data (detailed in Annexure - 1) for the boundary of ATL and its subsidiaries in India, for the period 1st April 2021 to 31st March 2022, in accordance with the scope of work agreed upon with the management of the Company including the sampling plan to arrive at our conclution.

During the verification process, we did not come across limitations to the scope of the agreed verification engagement. This verification engagement did not involve any engagement with external stakeholders or site visits to ATL assets. Considering the COVID-19 pandemic and associated travel restrictions, DNV carried hybrid assessments in line with DNV's risk-based assessment procedures including limited sampling. The verification was conducted based on desk reviews, site visits to AEML operations in Mumbai, limited interaction with data owners and other publicly available data/ information made available to us.

Verification Methodology

During the verification, we adopted a risk-based approach, and a sample-based verification was carried out for a limited level of verification as per DNV VeriSustain and as agreed with ATL. We undertook the following activities:

- Review of the data management processes that ATL has in place to report the Identified sustainability data based on chosen GRI Standards. We examined and reviewed supporting evidence such as supporting documents, secondary data and other information made available by ATL to us;
- Review of systems and procedures for data collection and aggregation, that is, the calculation methodology, assumptions of the selected consolidated sustainability performance data (Annexure-1)

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[1] The VeriSustain protocol is based on the principles of various assurance standards including International Standard on Assurance Engagements 3000 (ISAE 3000) Revised (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the GRI Principles for Defining Report Content and Quality, international best practices in verification and our professional experience; and is available on request from www.dnv.com

prepared for the Company's internal reporting purposes and to be included in its Annual Integrated Report;

- Verification of sample data to check accuracy and reliability for a limited level of verification through interaction with data owners.

Conclusions

In our opinion, on the basis of limited level of verification undertaken and mutually agreed scope of work, nothing has come to our attention that would cause us not to believe that the data verified as listed in Annexure - 1, is not a reliable and accurate representation of ATL's sustainability performance data related to the identified GRI Standards. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors, and the errors have been communicated for correction and corrected.

Our Competence and Independence

We are a global provider of sustainability services, with qualified environmental and social assurance specialists working in over 100 countries. We state our independence and impartiality with regard to this verification engagement. We did not conduct any other third-party audit work with ATL in FY 21-22 which in our judgement would compromise the independence or impartiality of this verification engagement and associated findings, conclusions and recommendations. We were not involved in the preparation of any statements or data related to the reported sustainability performance data in Annexure-1, with the exception of this Verification Statement. We maintain complete impartiality toward any people interviewed.

For DNV GL Business Assurance India Private Limited,

Vadakepatth, Nandkumar Digitally signed by Vadakepatth, Nandkumar Date: 2022.06.27 17:39:36 +05'30' Vadakepatth Nandkumar Lead Verifier DNV Business Assurance India Private Limited, India.	**Radhakrishnan, Kiran** Digitally signed by Radhakrishnan, Kiran Date: 2022.06.27 17:34:33 +05'30' Kiran Radhakrishnan Technical Reviewer DNV GL Business Assurance India Private Limited, India.

27th June 2022, Bengaluru, India

DNV Business Assurance India Private Limited is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

Annexure 1: Verified Performance Data, FY 21-22

Sl. No.	Parameter	Associated GRI Standard	Unit	Verified Value (April 2021 – March 2022) - AEML	Verified Value (April 2021 – March 2022) - ATL	Verified Value (April 2021 – March 2022) – Total ATL
1	Renewable Energy Generated / Procured	-	MWh	716.98 (Procured)	3,688.92 (Generated)	716.98 (Procured) 3,688.92 (Generated)
2	Non- Renewable Energy Consumed - Coal	GRI 302: Energy 2016	Metric Tons	1,988,929.14	-----	1,988,929.14
3	Greenhouse Gas Emissions – Scope 1	GRI 305: Emissions 2016	tCO_2	2,690,622.00	439.81	2,691,061.81
4	Greenhouse Gas Emissions – Scope 2	GRI 305: Emissions 2016	tCO_2	547,204.09	10,571.36	557,775.45
5	Hazardous Waste - disposed	GRI 306: Effluents and Waste 2016	Metric Tonnes	306.65	8.76	315.41
6	Non- hazardous and Electronic Waste - disposed	GRI 306: Waste 2020	Metric Tonnes	Non-Hazardous Waste: 3,251.27 E Waste: 345.69	Non-Hazardous Waste: 8.17	Non-Hazardous Waste: 3,259.44 E-Waste: 345.69
7	Water Consumption	GRI 303: Waste 2018	ML	Fresh Water: 1,742.59 Sea Water: 465,495.32	Fresh Water: 55.58	Fresh Water: 1,798.17 Sea Water: 465,495.32
8	Safety Statistics	GRI 403: Occupational Health and Safety 2018	Numbers	LTI: 27 Fatalities: Zero	LTI:04 Fatalities: Zero	LTI: 31 Fatalities: Zero
9	Employment and Training Statistics	GRI 401: Employment 2016 GRI 402: Training and Education 2016	-	Total number of Workforce (On Roll + Contract): 10,641 New Hires: 53 Average Training Man Hours per Employee: 14.90	Total Employees: 537 New Hires:96 Average Training Man Hours per Employee: 27.51	Total Employees: 11,178 New Hires: 149
10	Air Emissions	GRI 305: Emissions 2016	Metric Tons	PM 454.00 SO_2 2,106.40 NOx 3,571.60	-	PM 454.00 SO_2 2,106.40 NOx 3,571.60

Note 1: *Renewable energy procured by ATL's subsidiary AEML. Eligible Renewable Energy sources are considered as per 'Renewable Purchase Obligation, its Compliance and Implementation of Renewal Energy Certificate Framework Regulations, 2019' issued by Maharashtra Electricity Regulatory Commission (the "Regulation") which means renewable sources such as mini hydro, micro hydro, small hydro, wind, Solar, biomass including bagasse, bio fuel cogeneration, urban or municipal waste and such other sources as are recognised or approved by Ministry of New and Renewable Energy, Government of India. Renewable Energy Generated are from inhouse generation at substations.*

Reported Renewable energy solar (Purchased) and Generated-roof top) and wind with green attributes allocated to AEML.

Note 2: *Non-renewable energy Consumed at AEML – Dahanu - EF for coal is based on analysis and aggregated average value is considered by AEML.*

Note 3: *GHG emissions (Scope 1 and, Scope 2) are limited to power generation based on significance and includes fossil fuels - Coal, Diesel, LDO, Petrol and LPG.*

Note 4: *Emissions factors for purchased electricity Grid Emission factor based on weighted average factor of 0.79 tCO_2/MWh from the applicable and the CO_2 Baseline Database for the Indian Power Sector User Guide Version 17.0 October 2021 from the Central Electricity Authority.*

Note 5: *Hazardous waste disposal quantity reported is limited to waste disposed (waste chemical residue, used oil, paint drums, oil contaminated wastes, etc.) and are based on Form 10 records (Manifests for Hazardous and Other Wastes)*

Note 6: *Significant non-hazardous wastes consist of metallic wastes and others.*

Note 7: *Safety statistics consider Lost Time Injuries and Fatalities..*

Note 8: *Training hours include technical and behavioural training and exclude safety training.*

Note 9: *Air Emissions are based on concentration, average flow rate and availability of equipment, and converted to Metric Tons.*

Independent Auditor's Report

To The Members of Adani Transmission Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Adani Transmission Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter Description	Auditor's Response
1	**Hedge accounting and the related disclosures for currency derivatives:** (Refer to Note 41 to the Standalone Financial Statements) As explained in Note 2(q) of the standalone financial statements, the Company has foreign currency exposures from foreign currency denominated borrowings. The Company has hedged its foreign currency exposure through various currency derivative contracts which are recorded at fair value and has applied hedge accounting. Due to the changes in risks and estimates during the lifecycle of these derivative contracts, we identified the hedge accounting for currency derivatives and the adequacy of the related disclosures as a key audit matter because of the degree of subjectivity/ management judgment required to determine hedges effectiveness and requires management to maintain hedge documentation. These transactions may have a significant financial effect.	**Principal audit procedures performed:** • Obtained an understanding of and tested the design and implementation and operating effectiveness of the management's controls over the determination of a hedge, adequacy of hedge documentation, evaluation of the hegde effectiveness, fair valuation of currency derivatives and hedge accounting. • For a sample of the derivative contracts: i. Inspected the hedge documentations for such derivative contracts and evaluated the management's assessment of hedge effectiveness. ii. Tested the existence of the derivative contracts outstanding as at March 31, 2022 by obtaining confirmations directly from contract counterparties.

Sr. No.	Key Audit Matter Description	Auditor's Response
		iii. Reperformed the fair valuations with the involvement of our internal fair valuation specialists, to evaluate the reasonability of fair values of the currency derivatives and the hedge effectiveness thereof has been appropriately determined by the management; • Assessed the adequacy of the disclosures in respect of the currency derivatives and hedge accounting in accordance with the disclosure requirements of Ind AS 107-Financial Instruments: Disclosures, Ind AS 113- Fair Value Measurement.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

    d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements -;

    ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

    iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

    iv. a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 35(i) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

        b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 35(ii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

        c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

    v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN: 22116642AILSKS2752)

Place: Ahmedabad
Date: May 05, 2022

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Adani Transmission Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN: 22116642AILSKS2752)

Place: Ahmedabad
Date: May 05, 2022

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital Work in Progress and relevant details of Right of use assets.

(B) As the Company does not hold any intangible assets, reporting under clause 3(i)(a)(A) of the Order is not applicable.

b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner, over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, disclosed in the financial statements included in property, plant and equipment, are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) during the year. The Company does not have any intangible assets.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

b) According to the information and explanations given to us, at any point of time of the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets of the Company and other entities. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company in respect of current assets held by it and offered as security with such banks are in agreement with unaudited books of account of the Company of the respective quarters ended June 30, 2021, September 30, 2021 and December 31, 2021.The Company is yet to submit the return/statement for the quarter ended March 31, 2022 with the banks.

(iii) The Company has made investments in, provided security and granted unsecured loans, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

a) (₹ in Crores)

Particulars	**Loans***	**Security (Refer note 6-iii of the Financial Statements)#**
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	2,946.99	299.41
- Others	427.40	-
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries**	5,476.19	11,720.14
- Others	59.60	-

*Includes Inter Company loans, Optionally and Compulsorily Convertible Debentures, and Perpetual Debt.

#Does not include securities given for borrowings taken by the Company.

** Carrying value of the assets of the Company which are given as security in respect of borrowings availed by the Company's subsidiaries

b) The investments made, security given and the terms and conditions of the grant of all the above-mentioned loans provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations.

In respect of perpetual loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.

d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) The details of loans that fell due and extended by modifying the terms during the year are stated below:

Name of the party	Aggregate amount that fell due during the year	Date they fell due	Aggregate amount of existing loans extended	Date of extension	Details of the extension granted during the year	Percentage of the aggregate to the total loans granted during the year
Maharashtra Eastern Grid Power Transmission Company Limited	₹ 200 crores	September 30, 2021	₹ 200 crores	September 24, 2021	Extension of the tenure and repayment date by one year.	5.60%

f) The Company has granted perpetual loans or advances in the nature of loans without specifying any terms or period of repayment details of which are given below:

Particulars	Related Parties
Aggregate of loans where agreement does not specify any terms or period of repayment granted during the year	₹ 58.25 crores
Percentage of above loans to the total loans granted during the year	1.73%

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues:

a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries,associates or joint ventures.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) a) The Company has not issued any of its securities by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 31, 2021 and the draft of the internal audit reports where issued after the balance sheet date covering the period January 01, 2022 to March 31, 2022 for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

b) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN: 22116642AILSKS2752)

Place: Ahmedabad
Date: May 05, 2022

Balance Sheet as at 31st March, 2022

(₹ in Crores)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-current Assets			
Property, Plant and Equipment	5	0.66	0.79
Capital Work-In-Progress	5.1	0.42	-
Right of Use Assets	5.2	0.02	0.16
Financial Assets			
(i) Investments	6	6,681.17	6,203.30
(ii) Loans	7	4,257.27	4,624.73
(iii) Other Financial Assets	8	473.09	837.08
Income Tax Assets (Net)	9	14.20	7.31
Other Non-current Assets	10	1.11	1.02
Total Non-current Assets		**11,427.94**	**11,674.39**
Current Assets			
(i) Trade Receivables	11	0.01	0.08
(ii) Cash and Cash Equivalents	12	2.15	8.02
(iii) Bank Balances other than (ii) above	13	386.57	10.04
(iv) Loans	14	700.00	200.00
(v) Other Financial Assets	15	117.82	284.81
Other Current Assets	16	31.88	7.58
Total Current Assets		**1,238.43**	**510.53**
Total Assets		**12,666.37**	**12,184.92**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	1,099.81	1,099.81
Unsecured Perpetual Equity Instrument	18	3,131.28	2,829.70
Other Equity	19	(254.28)	157.10
Total Equity		**3,976.81**	**4,086.61**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	20	7,405.53	6,923.94
(ia) Lease Liabilities		1.47	-
Provisions	21	0.08	0.34
Total Non-current Liabilities		**7,407.08**	**6,924.28**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	22	1,141.84	940.00
(ia) Lease Liabilities		0.03	0.17
(ii) Trade Payables	23		
i. Total outstanding dues of micro enterprises and small enterprises		0.12	0.04
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		2.89	9.00
(iii) Other Financial Liabilities	24	130.65	219.91
Other Current Liabilities	25	6.92	4.85
Provisions	21	0.03	0.06
Total Current Liabilities		**1,282.48**	**1,174.03**
Total Liabilities		**8,689.56**	**8,098.31**
Total Equity and Liabilities		**12,666.37**	**12,184.92**

See accompanying notes forming part of the financial Statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

HARDIK SUTARIA
Partner

GAUTAM S. ADANI
Chairman
DIN: 00006273

RAJESH S. ADANI
Director
DIN: 00006322

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN: 00006867

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Date : 5th May, 2022

Date : 5th May, 2022

Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in Crores)

Particulars	Notes	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Income			
Revenue from Operations	26	739.81	755.23
Other Income	27	700.86	679.43
Total Income		**1,440.67**	**1,434.66**
Expenses			
Purchases of Stock - in - Trade	28	734.11	754.43
Employee Benefits Expense	29	1.57	3.80
Finance Costs	30	762.96	690.24
Depreciation and Amortisation Expense	5 & 5.2	0.26	0.29
Other Expenses	31	6.38	7.11
Total Expenses		**1,505.28**	**1,455.87**
Profit/(Loss) before tax		**(64.61)**	**(21.21)**
Tax Expense:			
Current Tax	32	-	-
Total Tax Expense		**-**	**-**
Profit/(Loss) after tax		**(64.61)**	**(21.21)**
Other Comprehensive Income			
(a) Items that will not be reclassified to Profit or Loss			
- Remeasurement of Defined Benefit Plans		0.08	(0.28)
(b) Tax relating to items that will not be reclassified to Profit or Loss		-	-
(c) Items that will be reclassified to Profit or Loss			
- Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge		(120.55)	(20.95)
(d) Tax relating to items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive (Loss)/Income for the year (Net of Tax)		**(120.47)**	**(21.23)**
Total Comprehensive (Loss)/Income for the year		**(185.08)**	**(42.44)**
Earnings Per Equity Share (EPS) (in ₹)			
(Face Value ₹ 10 Per Share)			
Basic & Diluted Earnings Per Share	33	(2.65)	(2.30)

See accompanying notes forming part of the financial Statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

HARDIK SUTARIA
Partner

GAUTAM S. ADANI
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DIN: 00006273

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ANIL SARDANA
Managing Director and Chief Executive Officer
DIN: 00006867

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Date : 5th May, 2022

Date : 5th May, 2022

Statement of Cash Flows for the year ended 31st March, 2022

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A. Cash flows from operating activities		
Loss before tax	(64.61)	(21.21)
Adjustments for:		
- Depreciation and Amortisation Expense	0.26	0.29
- Gain on Sale / Fair Value of Current Investments measured at FVTPL	(50.55)	(0.11)
- Finance Costs	731.57	515.39
- Unrealised Foreign Exchange Loss - Borrowings net of hedging	31.39	174.85
- Unclaimed liabilities / Excess provision written back	(0.05)	-
- Interest income	(646.30)	(674.99)
Operating Gain / (Loss) before working capital changes	**1.71**	**(5.78)**
Movement in Working Capital:		
(Increase) / Decrease in Assets :		
- Other financial assets and other assets	12.11	(6.71)
- Trade Receivables	0.07	96.60
Increase / (Decrease) in Liabilities :		
- Other financial liabilities, other liabilities and provisions	1.59	(19.67)
- Trade Payables	(5.75)	(102.65)
Cash generated from / (used in) operations	**9.73**	**(38.21)**
Direct Tax paid (Net of refunds)	(6.89)	16.21
Net cash flows generated from / (used in) operating activities (A)	**2.84**	**(22.00)**
B. Cash flows from investing activities		
Payment for acquisition of property plant and equipment (including capital advance and CWIP)	(0.89)	0.40
Payment for purchase of non-current financial assets		
- Acquisition of Subsidiary Companies	(143.48)	(563.24)
- Investment in Equity shares of Subsidiary Companies	(248.99)	(78.12)
- Loan to Subsidiary in the nature of Equity	(58.25)	-
- Loan received back from Subsidiary in the nature of Equity	20.58	-
- Investment in Optionally Convertible Debentures of Subsidiary Company	(20.99)	(145.55)
- Investment in Compulsory Convertible Debentures of Subsidiary Company	(3.41)	(24.71)
Proceeds on Redemption of non-current financial assets		
- Preference Shares- Subsidiary Companies	-	544.65
Sale/(Purchase) of current investment (net)	-	0.11
Proceeds from / (Deposits in) Bank deposits (net) (Including Margin money deposit)	1.12	(372.45)
Non-current loans given to Subsidiary Companies & Group Company	(3,264.53)	(4,173.72)
Non-current loans repaid by Subsidiary Companies & Group Company	3,434.33	4,355.21
Interest received	524.20	648.11
Net cash flows generated from investing activities (B)	**239.69**	**190.69**

Statement of Cash Flows for the year ended 31st March, 2022

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
C. Cash flows from financing activities		
Payment for Lease Liability including interest	(0.14)	(0.17)
Proceeds from Long-term borrowings	3,698.68	33.29
Repayment of Long-term borrowings	(3,495.71)	(505.32)
Proceeds from Short-term borrowings (net)	189.19	723.16
Proceeds from issue of Unsecured Perpetual Equity Instrument	75.62	-
Repayment of Unsecured Perpetual Equity Instrument	-	(680.00)
Distribution on Unsecured Perpetual Equity Instrument	(0.34)	(1.39)
Finance costs paid	(715.70)	(531.02)
Net cash flows used in financing activities (C)	**(248.40)**	**(961.45)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(5.87)**	**(792.76)**
Cash and cash equivalents at the beginning of the year	**8.02**	**800.78**
Cash and cash equivalents at the end of the year	**2.15**	**8.02**

(₹ in Crores)

Cash and cash equivalents includes - Refer note 12	As at 31st March, 2022	As at 31st March, 2021
Balances with banks		
- In current accounts	2.15	8.02
- Fixed Deposits (with original maturity for three months or less)	-	-
Total Cash and cash equivalents	**2.15**	**8.02**

Notes:

- For the year ended on 31st March, 2022 Interest accrued on ICD given to related party amounting to ₹ 274.22 Crores (Previous year - ₹ Nil) have been converted to the Loan given as per the terms of Contract and Interest accrued on ICD taken from related party amounting to ₹ 20.99 Crores (Previous year - ₹ Nil) have been converted to the Loan taken as per the terms of Contract.
- For the year ended on 31st March, 2021 conversion of ICD to Subsidiary Company of ₹ 101.34 Crores into investment in Equity Shares, Optionally Convertible Debentures and Compulsory Convertible Debenture in Subsidiary Companies have been treated as non cash transactions.

Notes to Statement of Cash Flows:

1. The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"
2. Disclosure under Para 44A as set out in Ind AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities (₹ in Crores)

Particulars	1st April, 2021	Cash Flows	Unrealised Foreign Exchange Gain/(Loss)	Other*	31st March, 2022
Long-term Borrowings (Including Current Maturities of Long Term Debt)	7,140.78	202.97	257.14	34.13	7,635.02
Short term Borrowings	723.16	189.19	-	-	912.35
Unsecured Perpetual Equity Instrument including Distribution (Net of Tax)	2,829.70	75.28	-	226.30	3,131.28
TOTAL	**10,693.64**	**467.44**	**257.14**	**260.43**	**11,678.65**

Statement of Cash Flows for the year ended 31st March, 2022

Changes in liabilities arising from financing activities

(₹ in Crores)

Particulars	1st April, 2020	Cash Flows	Unrealised Foreign Exchange Gain/(Loss)	Other*	31st March, 2021
Long-term Borrowings (Including Current Maturities of Long Term Debt)	7,855.83	(472.03)	(253.12)	10.10	7,140.78
Short term Borrowings	-	723.16	-	-	723.16
Unsecured Perpetual Equity Instrument including Distribution (Net of Tax)	3,279.42	(681.39)	-	231.67	2,829.70
TOTAL	**11,135.25**	**(430.26)**	**(253.12)**	**241.77**	**10,693.64**

*Pertains to Distribution on Perpetual Equity Instrument and amortisation of ancillary cost on long term borrowing.

See accompanying notes forming part of the financial Statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Date : 5th May, 2022

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

RAJESH S. ADANI
Director
DIN: 00006322

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN: 00006867

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Date : 5th May, 2022

Statement of changes in equity for the year ended 31st March, 2022

A. Equity Share Capital

Particulars	No. of Shares	(₹ in Crores)
Balance as at 1st April, 2020	**1,09,98,10,083**	**1,099.81**
i) Issue of shares during the year	-	-
Balance as at 31st March, 2021	**1,09,98,10,083**	**1,099.81**
i) Issue of shares during the year	-	-
Balance as at 31st March, 2022	**1,09,98,10,083**	**1,099.81**

B. Unsecured Perpetual Equity Instrument

Particulars	(₹ in Crores)
Balance as at 1st April, 2020	**3,279.42**
i) Add: Availed during the year	-
ii) Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	230.28
iii) Less: Repaid during the year	(680.00)
Balance as at 31st March, 2021	**2,829.70**
i) Add: Availed during the year	75.62
ii) Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	225.96
iii) Less: Repaid during the year	-
Balance as at 31st March, 2022	**3,131.28**

C. Other Equity

(₹ in Crores)

Particulars	Reserves and Surplus				Item of Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained Earnings	Self Insurance Reserve	Effective portion of Cash flow Hedge	
Balance as at 1st April, 2020	**11.47**	**1,220.60**	**(782.73)**	**-**	**(18.13)**	**431.21**
Profit / (Loss) for the year	-	-	(21.21)	-	-	(21.21)
(Less) : Transferred to Self Insurance Reserve	-	(12.65)	-	-	-	(12.65)
Add: Addition During the year	-	-	-	12.65	-	12.65
(Less): Distribution on Unsecured Perpetual Equity Instrument	-	-	(231.67)	-	-	(231.67)
Add: Other Comprehensive Income for the year (Net of Tax)	-	-	(0.28)	-	(20.95)	(21.23)
Balance as at 31st March, 2021	**11.47**	**1,207.95**	**(1,035.88)**	**12.65**	**(39.09)**	**157.10**
Profit/(Loss) for the year	-	-	(64.61)	-	-	(64.61)
(Less) : Transferred to Self Insurance Reserve	-	(6.00)	-	-	-	(6.00)
Add : Addition During the Year	-	-	-	6.00	-	6.00
(Less): Distribution on Unsecured Perpetual Equity Instrument	-	-	(226.30)	-	-	(226.30)
(Less): Other Comprehensive Income for the year (Net of Tax)	-	-	0.08	-	(120.55)	(120.47)
Balance as at 31st March, 2022	**11.47**	**1,201.95**	**(1,326.71)**	**18.65**	**(159.64)**	**(254.28)**

See accompanying notes forming part of the financial statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Date : 5th May, 2022

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

RAJESH S. ADANI
Director
DIN: 00006322

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN: 00006867

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Date : 5th May, 2022

Notes to Financial Statements for the year ended 31st March, 2022

1 Corporate information

> Adani Transmission Limited (“The Company”) (“ATL”) is a public limited company incorporated and domiciled in India, It’s ultimate holding entity is S. B. Adani Family Trust (SBAFT), having its registered office at ‘Adani Corporate House’, Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India. The Company and its subsidiaries (together referred to as “the Group”) are engaged in the business of generation, transmission and distribution of power through India. The Group develops, owns and operates transmission lines across the States of Gujarat, Rajasthan, Bihar, Jharkhand, Uttar Pradesh, Maharashtra, Haryana, Chhattisgarh, Madhya Pradesh, West Bengal, Tamilnadu, Andhra Pradesh and Telangana. Apart from the above the group also deals in various Bullion and Agro commodities.

> The Group has entered into new business opportunities, being laying optical fibers on transmission lines with the ambition of providing telecom solutions to Telcos, Internet service providers and long distance communication operators .The commercialization of the network is being done through leasing out spare capacities to potential players in the Telecom sector.

2 Significant accounting policies

a Statement of Compliance

> The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2017 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). (as amended from time to time).

b Basis of preparation and presentation

> These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

> The Function currency of the Company is Indian Rupee (INR). The financial statements are presented in INR and all values are rounded to the nearest Crores (Transactions below ₹ 50,000.00 denoted as ₹ 0.00 Crores), unless otherwise indicated.

c Business combinations and Goodwill

> The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in statement of profit and loss as incurred. The acquiree’s identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

> If the initial accounting for a business combination is incomplete as at the reporting date in which the combination occurs, the identifiable assets and liabilities acquired in a business combination are measured at their provisional fair values at the date of acquisition. Subsequently adjustments to the provisional values are made within the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date; otherwise the adjustments are recorded in the period in which they occur.

> Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

> Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

- After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.
- A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

d Current versus Non Current Classification

- The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:
  - Expected to be realized or intended to be sold or consumed in normal operating cycle; or
  - Held primarily for the purpose of trading; or
  - Expected to be realized within twelve months after the reporting period; or
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

  All other assets are classified as non-current.
- A liability is current when:
  - It is expected to be settled in normal operating cycle; or
  - It is held primarily for the purpose of trading; or
  - It is due to be settled within twelve months after the reporting period; or
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

  The Company classifies all other liabilities as non-current.
- Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.
- The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

e Foreign Currency

- In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.
- Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for:

  (i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

  (ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 42 for hedging accounting policies).

  (iii) Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss within finance costs. All the other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis.

f Revenue Recognition

- Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.
- The specific recognition criteria described below must also be met before revenue is recognised:

(i) Income from Services

Revenues are recognised immediately when the service is provided. The Company collects the tax on behalf of the Government and therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

(ii) Sale of Goods

Revenue from sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The amount of revenue can be measured reliably; and
- It is probable that the economic benefits associated with the transaction will flow to the Company.

There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

(iii) Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and amount of the income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate the exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iv) Other Income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

g Taxation

- Tax on Income comprises current tax and deferred tax. These are recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) Current Tax :

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions where appropriate.

Current income tax relating to items is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

ii) Deferred Tax :

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

h Property, Plant and Equipment (PPE)

> Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset.

> Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

> Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

> Subsequent additions to the assets after capitalization are accounted for at cost. Cost includes purchase price (net of trade discount & rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with Ind AS 23. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

> Depreciation is recognised based on the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

> Estimated useful lives of assets are as follows:-

Type of Assets	Useful lives
Plant and Equipment	3-15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Computer Equipment	3 Years
Vehicles	10 Years

> An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

i Impairment of tangible assets

> At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment losses (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified,

corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash- generating units for which a reasonable and consistent allocation basis can be identified.

- Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.
- If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.
- When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

j Borrowing Costs

- Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
- All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

k Inventories

- The inventories are stated at the lower of weighted average cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

  Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

l Employee benefits

- Defined benefit plans
  - The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.
  - Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in the statement of profit and loss on the earlier of:
    - The date of the plan amendment or curtailment, and
    - The date that the Company recognises related restructuring costs

- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- Net interest expense or income.

- A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.
- The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.
- Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment.

> Defined Contribution Plans

- Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue.

> Compensated Absences

- Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

> Short-term and other long-term employee benefits

- A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

m Fair value measurement

> Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

> In the principal market for the asset or liability, or

> In the absence of a principal market, in the most advantageous market for the asset or liability.

> The principal or the most advantageous market must be accessible by the Company.

> A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

> The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

> All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

> **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

> **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

> **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

> At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

> For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

n Financial instruments

> A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

> Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

> Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

> An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

(A) Financial assets

- All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.
- All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

1) Classification of financial assets

   - Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated at fair value through profit or loss on initial recognition):
   - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
   - The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
   - For the impairment policy on financial assets measured at amortised cost, Refer note 43
   - All other financial assets are subsequently measured at fair value.

   a) Financial assets at amortised cost

      - Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

   b) Financial assets at fair value through other comprehensive income (FVTOCI)

      - A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

        On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

   c) Financial assets at fair value through profit or loss (FVTPL)

      - Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the Statement of Profit and Loss.

2) Effective interest method

   - The effective interest method is a method of calculating the amortised cost of a financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.
   - Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL). Interest income is recognised in the Statement of Profit and Loss and is included in the "Other income" line item.

3) Derecognition of financial assets

- The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.
- On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received / receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

4) Impairment of financial assets

- The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.
- Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.
- The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that will results if default occurs within the 12 months after the reporting date and this, are not cash shortfalls that are predicted over the next 12 months.
- If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.
- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.
- For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

5) Foreign exchange gains and losses

- The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Statement of Profit and Loss.

(B) Financial liabilities and equity instruments

1) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

4) Financial liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability may be designated as at FVTPL upon initial recognition if:

(a) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

(b) The financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Fair values are determined in the manner described in Refer note 43

5) Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

6) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL or amortisation cost, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Statement of Profit and Loss.

7) Derecognition of Financial Liability

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

o Reclassification of financial assets and liabilities

> The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

p Offsetting of financial instruments

> Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q Derivative financial instruments and hedge accounting

> Initial recognition and subsequent measurement:

- In order to hedge its exposure to foreign exchange and interest rate risks, the Company enters into forward, Principle only Swaps (POS) and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.
- Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.
- Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.
- Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

> For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

- The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.
- At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting.
- The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

> Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i) Fair value hedges

- Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.
- When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in statement of profit and loss.
- Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

ii) Cash flow hedges

- The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.
- Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.
- If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

r Cash & Cash Equivalents

> Cash comprises cash on hand, cash at bank and demand deposit with banks (with an original maturity of three months or less from the date of creation). Cash equivalents are short-term balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

s Statement of Cash Flows

> Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

t Provision, Contingent Liabilities and Contingent Assets

Provisions

> Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

> The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

> When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

> Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

> Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

u Earnings Per Share

> Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

> Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

> The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

v Leases

> At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

> The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense in the statement of Profit and Loss on a straight-line basis over the lease term.

- Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.
- The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.
- The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

3 Critical accounting judgements and key sources of estimation uncertainty

- The application of the Company's accounting policies as described in Note 2, in the preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.
- The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Control over Subsidiary (Critical accounting judgments)[1]

The Company acquired 49% of paid-up equity capital of Alipurduar Transmission Limited (ALTL) with effect from 26th November, 2020 from Kalpataru Power Transmission Limited ("the Selling Shareholder") pursuant to Share Purchase Agreement ("SPA") dated 5th July, 2020. Adani Transmission Limited has finalised purchase consideration for acquisition of entire stake in ALTL and has entered into a binding agreement with the Selling Shareholder to acquire remaining 51% paid-up equity capital of ALTL from the Selling Shareholder. Considering the rights available to Adani Transmission Limited under the SPA, ATL has concluded that it controls ALTL.

3.2 Fair value measurement of financial instruments[2]

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 42.

[1] **Critical accounting judgments**

[2] **Key sources of estimation uncertainties**

4 Recent Pronouncements for Indian Accounting Standards (Ind AS)

New Standard / Amendments issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below.

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

4.1 Social Security Code

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes to Financial Statements for the year ended 31st March, 2022

5. Property, Plant and Equipment

(₹ in Crores)

Description of Assets	Tangible Assets						
	Land (Free hold)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Total
I. Gross Carrying Amount							
Balance as at 1st April, 2020	**0.04**	**0.41**	**0.07**	**0.07**	**0.01**	**0.74**	**1.34**
Additions during the Year	-	-	-	-	-	-	-
Disposals during the Year	-	-	-	-	-	-	-
Balance as at 31st March, 2021	**0.04**	**0.41**	**0.07**	**0.07**	**0.01**	**0.74**	**1.34**
Additions during the Year	-	-	-	-	-	-	-
Disposals during the Year	-	0.01	0.00	0.07	0.01	-	0.09
Balance as at 31st March, 2022	**0.04**	**0.40**	**0.07**	**-**	**-**	**0.74**	**1.25**
II. Accumulated depreciation							
Balance as at 1st April, 2020	**-**	**0.14**	**0.03**	**0.07**	**0.01**	**0.17**	**0.42**
Depreciation for the Year	-	0.03	0.01	0.00	-	0.09	0.13
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at 31st March, 2021	**-**	**0.17**	**0.04**	**0.07**	**0.01**	**0.26**	**0.55**
Depreciation for the Year	-	0.02	0.01	0.00	-	0.09	0.12
Eliminated on disposal of assets	-	0.00	0.00	0.07	0.01	-	0.08
Balance as at 31st March, 2022	**-**	**0.19**	**0.05**	**-**	**-**	**0.35**	**0.59**
Net Carrying value as at 31st March, 2021	**0.04**	**0.24**	**0.03**	**0.00**	**0.00**	**0.48**	**0.79**
Net Carrying value as at 31st March, 2022	**0.04**	**0.21**	**0.02**	**-**	**-**	**0.39**	**0.66**

(Figures below ₹ 50,000 denoted as ₹ 0.00 Crores)

5.1 Capital work-in-progress:

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	-	-
Expenditure incurred during the year	0.42	-
Closing Balance	**0.42**	**-**

Notes to Financial Statements for the year ended 31st March, 2022

Capital-work-in progress ageing schedule:

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Capital-work-in progress ageing schedule:					
As at 31st March, 2022					
- Projects in progress	0.42	-	-	-	0.42
- Projects temporarily suspended	-	-	-	-	-
Total	0.42	-	-	-	0.42

Capital-work-in progress ageing schedule:

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
As at 31st March, 2021					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

5.2 : Right of Use Assets

(₹ in Crores)

Particulars	Right of Use Assets	
	Plant and Equipment	Total
I. Gross carrying value		
Balance as at 1st April, 2020	**0.48**	**0.48**
Additions during the year	-	-
Disposals during the year	-	-
Balance as at 31st March, 2021	**0.48**	**0.48**
Additions during the year	-	-
Disposals during the year	-	-
Balance as at 31st March, 2022	**0.48**	**0.48**
II. Accumulated Amortisation		
Balance as at 1st April, 2020	**0.16**	**0.16**
Amortisation Charge for the year	0.16	0.16
Eliminated on disposal of assets	-	-
Balance as at 31st March, 2021	**0.32**	**0.32**
Amortisation Charge for the year	0.14	0.14
Eliminated on disposal of assets	-	-
Balance as at 31st March, 2022	**0.46**	**0.46**
Net Carrying Value as at 31st March, 2021	**0.16**	**0.16**
Net Carrying value as at 31st March, 2022	**0.02**	**0.02**

Notes to Financial Statements for the year ended 31st March, 2022

6 Non Current Financial Assets - Investments

I. Investments - carried at Cost.

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
(a) Investments in Equity Instruments - Unquoted		
Investments in Subsidiary Companies (Face value of ₹ 10 each)		
11,00,50,000 (31.03.2021 : 11,00,50,000) Equity Shares of Adani Transmission (India) Limited	343.10	343.10
70,75,00,000 (31.03.2021 : 70,75,00,000) Equity Shares of Maharashtra Eastern Grid Power Transmission Company Limited	903.50	903.50
4,40,00,000 (31.03.2021 : 4,40,00,000) Equity Shares of Sipat Transmission Limited	44.00	44.00
9,11,00,000 (31.03.2021 : 9,11,00,000) Equity Shares of Raipur - Rajnandgaon-Warora Transmission Limited	91.10	91.10
6,80,00,000 (31.03.2021 : 6,80,00,000) Equity Shares of Chhattisgarh-WR Transmission Limited	68.00	68.00
84,99,999 (31.03.2021 : 84,99,999) Equity Shares of Adani Transmission (Rajasthan) Limited	8.50	8.50
50,000 (31.03.2021 : 50,000) Equity Shares of North Karanpura Transco Limited	0.05	0.05
89,40,000 (31.03.2021 : 89,40,000) Equity Shares of Maru Transmission Service Company Limited	8.94	8.94
52,30,000 (31.03.2021 : 52,30,000) Equity Shares of Aravali Transmission Service Company Limited	5.23	5.23
1,00,00,000 (31.03.2021 : 1,00,00,000) Equity Shares of Hadoti Power Transmission Service Limited	10.00	10.00
80,00,000 (31.03.2021 : 80,00,000) Equity Shares of Barmer Power Transmission Service Limited	8.00	8.00
70,00,000 (31.03.2021 : 70,00,000) Equity Shares of Thar Power Transmission Service Limited	7.00	7.00
1,00,00,000 (31.03.2021 : 1,00,00,000) Equity Shares of Western Transco Power Limited	11.84	11.84
1,00,00,000 (31.03.2021 : 1,00,00,000) Equity Shares of Western Transmission (Gujarat) Limited	13.01	13.01
2,55,00,000 (31.03.2021 : 2,55,00,000) Equity Shares of Fatehgarh-Bhadla Transmission Limited	25.50	25.50
11,93,55,000 (31.03.2021 : 11,43,80,000) Equity Shares of Ghatampur Transmission Limited (Refer note 1 below)	158.30	153.32
301,15,96,827 (31.03.2021 : 301,15,96,827) Equity Shares of Adani Electricity Mumbai Limited	3,427.06	3,427.06
99,99,999 (31.03.2021 : 99,99,999) Equity Shares of Adani Transmission Bikaner Sikar Private Limited (Refer note 1 below)	51.06	51.06
5,55,00,000 (31.03.2021 : 5,55,00,000) Equity Shares of OBRA-C Badaun Transmission Limited	55.50	55.50
10,000 (31.03.2021 : 10,000) Equity Shares of AEML Infrastructure Limited	0.01	0.01
5,40,00,000 (31.03.2021 : 5,00,66,649) Equity Shares of Bikaner Khetri Transmission Limited	54.00	50.07

Notes to Financial Statements for the year ended 31st March, 2022

6 Non Current Financial Assets - Investments (Contd.)

I. Investments - carried at Cost. (Contd.)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
50,000 (31.03.2021 : 50,000) Equity Shares of WRSS XXI (A) Transco Limited	0.05	0.05
50,000 (31.03.2021 : 50,000) Equity Shares of Lakadia Banaskantha Transco Limited	0.05	0.05
2,12,50,000 (31.03.2021 : 2,12,50,000) Equity Shares of Jam Khambaliya Transco Limited	21.25	21.25
10,000 (31.03.2021 : 10,000) Equity Shares of Arasan Infra Private Limited	0.01	0.01
10,000 (31.03.2021 : 10,000) Equity Shares of Sunrays Infra Space Private Limited	0.01	0.01
7,490 (31.03.2021 : 7,490) Equity Shares of Power Distribution Services Limited (Formerly known as 'Adani Electricity Mumbai Services Limited')	0.01	0.01
50,000 (31.03.2021 : 50,000) Equity Shares of Kharghar Vikhroli Transmission Limited (Formerly known as 'Kharghar Vikhroli Transmission Private Limited')	0.05	0.05
5,56,31,020 (31.03.2021 : 5,56,31,020) Equity Shares of Alipurduar Transmission Limited	415.33	415.33
10,000 (31.03.2021 : 10,000) Equity Shares of Adani Transmission Step One Limited	0.01	0.01
53,70,00,000 (31.03.2021 : 29,70,00,000) Equity Shares of Warora-Kurnool Transmission Limited	240.00	0.00
10,000 (31.03.2021 : Nil) Equity Shares of ATL HVDC Limited	0.01	-
50,000 (31.03.2021 : Nil) Equity Shares of MP Power Transmission Package-II Limited	0.05	-
1,31,35,000 (31.03.2021 : Nil) Equity Shares of MPSEZ Utilities Limited (Formerly known as 'MPSEZ Utilities Private Limited')	116.27	-
10,000 (31.03.2021 : Nil) Equity Shares of Karur Transmission Limited	0.01	-
10,000 (31.03.2021 : Nil) Equity Shares of Khavda-Bhuj Transmission Limited	0.01	-
Total (a)	**6,086.82**	**5,721.56**
(b) Investments in Compulsory Convertible Debentures (CCD) - Unquoted		
Investments in wholly owned Subsidiary Companies (Face value of ₹ 100 each)		
0% 31,57,031 (31.03.2021 : 31,57,031) CCD of North Karanpura Transco Limited	31.57	31.57
9% 53,45,250 (31.03.2021 : 50,04,415) CCD of Bikaner Khetri Transmission Limited * (Refer note 2(c))	55.80	50.04
Total (b)	**87.37**	**81.61**
Total I (a + b)	**6,174.19**	**5,803.17**

* During the year interest of ₹ 2.35 Crores has been added to the carrying value of the instrument.

Notes to Financial Statements for the year ended 31st March, 2022

6 Non Current Financial Assets - Investments (Contd.)

II. Investments - carried at Fair Value through profit or loss (FVTPL)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
(a) Investments in 0% Optionally Convertible Redeemable Preference Shares - Unquoted		
Investments in wholly owned Subsidiary Company (Face value of ₹ 10 each)		
3,45,00,000 (31.03.2021 : 3,45,00,000) Preference Shares of Adani Transmission Bikaner Sikar Private Limited (Refer note 2(b))	8.17	6.97
Total (a)	**8.17**	**6.97**
(b) Investments in Optionally Convertible Debentures (OCD) - Unquoted		
Investments in wholly owned Subsidiary Companies (Face value of ₹ 100 each)		
9% 3,48,42,873 (31.03.2021 : 3,35,50,373) OCD of Ghatampur Transmission Limited (Refer note 1 below and note 2(d))	339.69	294.31
9% 1,06,90,500 (31.03.2021 : 98,84,830) OCD of Bikaner Khetri Transmission Limited (Refer note 2 below and note 2(d))	121.45	98.85
0% 18,60,68,844 (31.03.2021 : 18,60,68,844) OCD of Warora-Kurnool Transmission Limited	0.00	0.00
Total (b)	**461.14**	**393.16**
Total II (a+b)	**469.31**	**400.13**

Notes:

1) During the year fair value gain of ₹ 32.45 Crores (31.03.2021 : ₹ (2.25) Crores) has been added to the carrying value of the instrument.

2) During the year fair value gain of ₹ 14.55 Crores (31.03.2021 : Nil) has been added to the carrying value of the instrument.

III. Investments - Loan to subsidiary company in the nature of Equity support carried at Cost - Unquoted

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
0.01 % Bikaner Khetri Transmission Limited	37.67	-
Total III	**37.67**	**-**
Total (I + II + III)	**6,681.17**	**6,203.30**

Note:

The Company has invested in a subordinated perpetual debt, with a fixed coupon rate having no specific maturity date.

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Aggregate carrying value of unquoted investments		
Investment in Equity Instruments	6,086.82	5,721.56
Investment in Compulsory Convertible Debentures	87.37	81.61
Investment in Optionally Convertible Redeemable Preference Shares	8.17	6.97
Investment in Optionally Convertible Debentures	461.14	393.16
Investment in Loan in the nature of Equity	37.67	-
Total	**6,681.17**	**6,203.30**

For Charge created on aforesaid assets, Refer note 22
(Figures below ₹ 50,000 are denominated by ₹ 0.00 Crores)

Notes to Financial Statements for the year ended 31st March, 2022

6 Non Current Financial Assets - Investments (Contd.)

Notes:

1) Value of Deemed Investment accounted in subsidiaries in term of fair valuation under Ind AS 109

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Ghatampur Transmission Limited	38.94	38.94
Adani Transmission Bikaner Sikar Private Limited	28.88	28.88
Total	**67.82**	**67.82**

2) Number of Eq. Shares/OCRPS/CCD/OCD pledged with Lenders against borrowings by the parent company and its subsidiaries are as per below :

A. Equity Shares

	Number of Equity Shares Pledged	
	As at 31st March, 2022	As at 31st March, 2021
Subsidiary Companies		
Maharashtra Eastern Grid Power Transmission Company Limited	70,74,99,994	70,74,99,994
Adani Transmission (India) Limited	11,00,49,994	11,00,49,994
Sipat Transmission Limited	4,39,99,400	4,39,99,400
Raipur – Rajnandgaon – Warora Transmission Limited	9,10,99,400	9,10,99,400
Chhattisgarh – WR Transmission Limited	6,79,99,400	6,79,99,400
Adani Transmission (Rajasthan) Limited	84,99,993	84,99,993
Maru Transmission Service Company Limited	37,54,800	89,39,994
Aravali Transmission Service Company Limited	52,29,994	52,29,994
Hadoti Power Transmission Service Limited	99,99,994	99,99,994
Barmer Power Transmission Service Limited	79,99,994	79,99,994
Thar Power Transmission Service Limited	69,99,994	69,99,994
Western Transco Power Limited	38,57,143	81,00,000
Western Transmission (Gujarat) Limited	30,00,000	30,00,000
Adani Transmission Bikaner Sikar Private Limited	99,99,993	99,99,993
Fatehgarh-Bhadla Transmission Limited	1,52,99,640	1,52,99,640
Ghatampur Transmission Limited	6,08,71,100	5,78,23,800
Adani Electricity Mumbai Limited	3,01,15,96,821	3,01,15,96,821
OBRA-C Badaun Transmission Limited	2,83,05,000	2,83,05,000
Alipurduar Transmission Limited	2,72,59,190	2,72,59,190
Bikaner Khetri Transmission Limited	2,75,40,006	2,14,35,835
Jam Khambaliya Transco Limited	63,75,000	30,00,000
Warora-Kurnool Transmission Limited	27,38,70,000	-
Kharghar Vikhroli Transmission Limited	49,994	-
Lakadia Banaskantha Transco Limited	49,994	-
WRSS XXI (A) Transco Limited	49,994	-

	Number of Equity Shares to be Pledged	
	As at 31st March, 2022	As at 31st March, 2021
Subsidiary Companies		
Jam Khambaliya Transco Limited	-	33,75,000
Bikaner Khetri Transmission Limited	-	40,97,850
Ghatampur Transmission Limited	-	5,10,010

Notes to Financial Statements for the year ended 31st March, 2022

6 Non Current Financial Assets - Investments (Contd.)

B. *Optionally Convertible Redeemable Preference Shares*

	As at 31st March, 2022	As at 31st March, 2021
Subsidiary Companies		
Adani Transmission Bikaner Sikar Private Limited (Formerly known as 'KEC - Bikaner - Sikar Transmission Private Limited')	3,45,00,000	3,45,00,000

C. *Compulsory Convertible Debentures*

	As at 31st March, 2022	As at 31st March, 2021
Subsidiary Companies		
Bikaner Khetri Transmission Limited	27,26,080	21,10,855

D. *Optionally Convertible Debentures*

	As at 31st March, 2022	As at 31st March, 2021
Subsidiary Companies		
Ghatampur Transmission Limited	1,77,69,950	1,69,57,695
Bikaner Khetri Transmission Limited	54,52,157	63,32,550

3) The carrying value of the Equity Shares, OCRPS, CCD and OCD provided as security during the year is ₹ 299.41 crores, and the carrying value of the Equity Shares, OCRPS, CCD and OCD outstanding as security as at March 31, 2022 is ₹ 5,734.93 crores.

4) In respect of short term borrowings of ATIL & MEGPTCL (wholly owned subsidiaries of company), the company has created a charge on all its movable and immoveable assets excluding its shareholding in its subsidiary other than MEGPTCL and ATIL and excluding trade conduit arrangement in relation to the trading business of the company.

7 Non Current Financial Assets - Loans (At Amortised Cost)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, considered good)		
Loans to Subsidiary Companies * (Refer Note 35 & 45)	4,190.02	4,617.99
Loans to Other related party (Refer Note 35 & 45)	59.60	-
Debt instruments carried at amortised cost : (Unquoted)		
0.01% Compulsorily Convertible Preference Shares in wholly owned subsidiary companies:		
10,00,000 (31.03.2021 : 10,00,000) Preference Shares of Western Transco Power Limited of ₹ 10 each	4.77	4.20
10,00,000 (31.03.2021 : 10,00,000) Preference Shares of Western Transmission (Gujarat) Limited of ₹ 10 each	2.88	2.54
Total	**4,257.27**	**4,624.73**

Note:

* Charges has been created on loans given to wholly owned subsidiaries namely - (Refer note 20)

(i) Adani Transmission (India) limited of ₹ 552.74 Crores (31.03.2021 : ₹ 1,205.54 Crores) and

(ii) Maharashtra Eastern Grid Power Transmission Company Limited of ₹ 1,513.63 Crores (31.03.2021: ₹ 2,132.58 Crores)

Notes to Financial Statements for the year ended 31st March, 2022

8 Non-current Financial Assets- Others

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Balances held as Margin Money or security against borrowings	360.00	737.65
Derivative instruments designated in hedge accounting relationship (Refer note 42)	110.69	99.41
Security Deposits	0.01	0.02
Lease Receivable	2.39	-
Total	**473.09**	**837.08**

For Charge created on aforesaid assets, Refer note 20 & 22

9 Income Tax Assets (Net)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Advance Income Tax [Net of Provision ₹ 12.63 Crores (As at 31st March, 2021 ₹ 12.63 Crores)]	14.20	7.31
Total	**14.20**	**7.31**

10 Non Current Assets - Others

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, considered good)		
Capital Advances	0.48	-
Group Gratuity Fund (Includes contribution of subsidiaries)	0.63	1.02
Total	**1.11**	**1.02**

For Charge created on aforesaid asset, Refer note 20

11 Trade Receivables

(Unsecured otherwise stated)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Unsecured, Considered Good	0.01	0.08
Credit Impaired	9.61	9.61
	9.62	**9.69**
Less : Allowance for Doubtful Debts	9.61	9.61
Total	**0.01**	**0.08**

Notes to Financial Statements for the year ended 31st March, 2022

11 Trade Receivables (Contd.)

Trade Receivables ageing Schedule

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2022							
(i) Undisputed Trade receivables - considered good	-	-	-	0.01	-	-	0.01
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	9.61	9.61
(vii) Provision for doubtful debt	-	-	-	-	-	(9.61)	(9.61)
Total	**-**	**-**	**-**	**0.01**	**-**	**-**	**0.01**

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2021							
(i) Undisputed Trade receivables - considered good	-	0.08	-	-	-	-	0.08
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	9.61	9.61
(vii) Provision for doubtful debt	-	-	-	-	-	(9.61)	(9.61)
Total	**-**	**0.08**	**-**	**-**	**-**	**-**	**0.08**

For Charge created on aforesaid assets, Refer note 20 & 22

12 Cash and Cash equivalents

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Balances with banks		
In current accounts	2.15	8.02
Total	**2.15**	**8.02**

For Charge created on aforesaid assets, Refer note 20 & 22

Notes to Financial Statements for the year ended 31st March, 2022

13 Bank Balance other than Cash and Cash Equivalents

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Fixed Deposits (with original maturity for more than three months)		
- Others	7.13	-
- Margin Money	379.44	10.04
Total	**386.57**	**10.04**

(Margin Money Against Bank Guarantees and Debt Service Reserve Account)

For Charge created on aforesaid asset, Refer note 20 & 22

14 Current Financial Assets - Loans (At Amortised Cost)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, Considered Good)		
Loans to Subsidiary Companies (Refer Note 35 & 45)	700.00	200.00
Total	**700.00**	**200.00**

For Charge created on aforesaid assets, Refer note 20 & 22

15 Current Financial Assets - Others

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
(Unsecured, considered good)		
Interest receivable	106.58	259.60
Derivative instruments designated in hedge accounting relationship (Refer note 42)	1.15	-
Other Receivable	9.54	25.21
Other Financial Assets	0.51	-
Lease Receivable	0.04	-
Total	**117.82**	**284.81**

For Charge created on aforesaid assets, Refer note 20 & 22

16 Other Current Assets

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Advances to Suppliers	2.27	0.75
Balances with Government authorities	4.43	6.78
Prepaid Expenses (includes consent fees towards internal corporate restructuring ₹ 16.14 Crores and balance for Bank guarantee charges)	25.18	0.05
Total	**31.88**	**7.58**

For Charge created on aforesaid assets, Refer note 20 & 22

Notes to Financial Statements for the year ended 31st March, 2022

17 Equity Share Capital

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Authorised Share Capital		
1,50,00,00,000 (31.03.2021 - 1,50,00,00,000) Equity shares of ₹ 10 each	1,500.00	1,500.00
Total	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid-up Equity Shares Capital		
1,09,98,10,083 (31.03.2021 - 1,09,98,10,083) Equity shares of ₹ 10 each fully paid up.	1,099.81	1,099.81
Total	**1,099.81**	**1,099.81**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	(₹ in Crores)	No. of Shares	(₹ in Crores)
At the beginning of the year	1,09,98,10,083	1,099.81	1,09,98,10,083	1,099.81
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,09,98,10,083**	**1,099.81**	**1,09,98,10,083**	**1,099.81**

Subsequent to 31st March 2022, the board of directors of the Company, in their meeting held on 8th April 2022 have approved the transaction for issue of 1,56,82,600 equity shares of face value of ₹ 10 each of the Company, for total consideration of ₹ 3,850.00 Crores to Green Transmission Investment Holding RSC Limited ("investor"), on a preferential basis. The current principal shareholder of the Investor is IHC Capital Holding LLC , Abu Dhabi, UAE. The transaction is approved by the shareholder in their meeting held on 5th May 2022, however subject to regulatory / statutory approvals.

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

d. Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2022		As at 31st March, 2021	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
- Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S.B. Adani Family Trust)	62,11,97,910	56.48%	62,11,97,910	56.48%
- Adani Tradeline LLP (Formerly known as Parsa Kente Rail Infra LLP)	9,94,91,719	9.05%	9,94,91,719	9.05%
	72,06,89,629	**65.53%**	**72,06,89,629**	**65.53%**

Notes to Financial Statements for the year ended 31st March, 2022

17 Equity Share Capital (Contd.)

e. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year	Remark if change is more than 25%
As at 31st March, 2022				
Shri Gautambhai Shantilal Adani	1	0.00%	0.00%	
Shri Rajeshbhai Shantilal Adani	1	0.00%	0.00%	
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	62,11,97,910	56.48%	0.00%	
Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of Gautam S. Adani Family Trust)	88,36,750	0.80%	0.00%	
Adani Tradeline LLP	9,94,91,719	9.05%	0.00%	
Afro Asia Trade and Investments Limited	3,02,49,700	2.75%	0.00%	
Fortitude Trade and Investment Limited	3,02,49,700	2.75%	0.00%	
Worldwide Emerging Market Holding Limited	3,02,49,700	2.75%	0.00%	
Flourishing Trade And Investment Limited	36,88,000	0.34%	0.00%	
Total	**82,39,63,481**	**74.92%**	**0.00%**	

Particulars	No. of shares	% of total shares	% Change during the year	Remark if change is more than 25%
As at 31st March, 2021				
Shri Gautambhai Shantilal Adani	1	0.00%	0.00%	
Shri Rajeshbhai Shantilal Adani	1	0.00%	0.00%	
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	62,11,97,910	56.48%	0.00%	
Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of Gautam S. Adani Family Trust)	88,36,750	0.80%	0.00%	
Adani Tradeline LLP	9,94,91,719	9.05%	0.00%	
Afro Asia Trade and Investments Limited	3,02,49,700	2.75%	0.00%	
Fortitude Trade and Investment Limited	3,02,49,700	2.75%	0.00%	
Worldwide Emerging Market Holding Limited	3,02,49,700	2.75%	0.00%	
Flourishing Trade And Investment Limited	36,88,000	0.34%	0.00%	
Total	**82,39,63,481**	**74.92%**	**0.00%**	

Notes to Financial Statements for the year ended 31st March, 2022

18 Unsecured Perpetual Equity Instrument

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	2,829.70	3,279.42
Add: Availed during the year	75.62	-
Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	225.96	230.28
Less: Repaid during the year	-	680.00
Closing Balance	**3,131.28**	**2,829.70**

a) The Company has issued Unsecured Perpetual Equity Instrument (the "Instrument") to Adani Infra (India) Limited. This Instrument are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. The distribution on part of these Instrument i.e. ₹ 2,196.12 Crores (As at 31.03.2021: ₹ 2,129.70 Crores) outstanding as at March 31, 2022 are fixed at coupon rate of 11.80% p.a. compounded annually and for remaining amount i.e. ₹ 859.54 Crores (As at 31.03.2021: ₹ 700 Crores) outstanding as at March 31, 2022 are without any coupon rate. The obligation of the Company to repay the outstanding amounts shall rank on a pari passu basis with the obligations of the company to make payments/distributions in relation to any parity securities issued/ to be issued by the company and be senior to the obligations of the company to make payments/distributions in relation to preference and equity share capital and any other securities at par with preference and equity share capital of the Company.

b) During the year the company has issued Perpetual Equity instrument to the Subsidairy companies for ₹ 75.62 Crores (As at 31.03.2021 : ₹ Nil).

(₹ in Crores)

Name of subsidiaries	Amount	Rate of Interest
Barmer Power Transmission Service Limited	13.00	0.00%
Hadoti Power Transmission Service Limited	17.00	0.00%
Raipur - Rajnandgaon-Warora Transmission Limited	18.00	0.00%
Thar Power Transmission Service Limited	11.00	0.00%
Maru Transmission Service Company Limited	16.62	0.00%
Total	**75.62**	

As Instrument are perpetual in nature and ranked senior only to the Share Capital of the Company and the Company does not have any redemption obligation, these are considered to be entirely in the nature of equity instruments.

19 Other Equity

(₹ in Crores)

		As at 31st March, 2022	As at 31st March, 2021
a.	Capital Reserve (Refer note (i) below)	11.47	11.47
	Total (a)	**11.47**	**11.47**
b.	Effective portion of cashflow Hedge (Refer note (ii) below)		
	Hedge Reserve		
	Opening Balance	(39.08)	(18.13)
	Add: Effective portion of cash flow hedge for the year	(120.55)	(20.95)
	Closing Balance **Total (b)**	**(159.63)**	**(39.08)**
c.	General Reserve (Refer note (iii) below)		
	Opening Balance	1,207.95	1,220.60

19 Other Equity (Contd.)

(₹ in Crores)

		As at 31st March, 2022	As at 31st March, 2021
Less : Transferred to Self Insurance Reserve		(6.00)	(12.65)
Closing Balance	**Total (c)**	**1,201.95**	**1,207.95**
d. Self Insurance Reserve (refer note (iv) below)			
Opening Balance		12.65	-
Add : Addition During the Year		6.00	12.65
Closing Balance	**Total (d)**	**18.65**	**12.65**
e. Retained Earnings (refer note (v) below)			
Opening Balance		(1,035.89)	(782.73)
Add: Profit/(Loss) for the year		(64.61)	(21.21)
Add: Other comprehensive income arising from remeasurement of Defined Benefit Plans		0.08	(0.28)
(Less): Distribution on Unsecured Perpetual Equity Instrument		(226.30)	(231.67)
Closing Balance	**Total (e)**	**(1,326.72)**	**(1,035.89)**
	Total (a + b + c + d + e)	**(254.28)**	**157.10**

Notes:

i. **Capital Reserve :** It has been created on acquisition of subsidiary companies.

ii. **Hedge Reserve :** The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

iii. **General Reserve :** It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company. The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes.

iv. **Self Insurance Reserve :** The company has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created in current year. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy.

v. **Retained Earnings :** Retained earnings represents the amount of profits or losses of the company earned till date net of appropriation.

20 Non Current Financial Liabilities - Borrowings

(₹ in Crores)

	Non-current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Secured				
Bonds				
4.00% USD Bonds	3,748.66	3,606.14	-	-
4.25% USD Bonds	3,178.65	3,284.50	229.49	216.84
Total	**6,927.31**	**6,890.64**	**229.49**	**216.84**

Notes to Financial Statements for the year ended 31st March, 2022

20 Non Current Financial Liabilities - Borrowings (Contd.)

(₹ in Crores)

	Non-current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Amount disclosed under the head Current Financial Liabilities - Borrowings (Refer note 22)	-	-	(229.49)	(216.84)
Net amount	**6,927.31**	**6,890.64**	**-**	**-**
Unsecured				
From Related Parties (Refer note 45)	478.22	33.30	-	-
Net amount	**478.22**	**33.30**	**-**	**-**
Total	**7,405.53**	**6,923.94**	**-**	**-**

Notes

Borrowings	Security	Terms of Repayment
Secured 4.00% USD Bonds	- The USD Bonds are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond/Debenture holders): a. Mortgage of land situated at Sanand. b. Hypothecation of all the assets (movable and immovable) including current assets of the Company. c. Pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company. d. All assets (moveable and immovable) of ATIL & MEGPTCL including its current assets. e. Assignment by way of security over loans given to ATIL & MEGPTCL. All its rights under the inter entity loan agreements entered or to be entered into between the Issuer, ATIL and MEGPTCL (the "Inter Entity Loans");	- 4.00% 500 Million (31st March, 2021 - 500 Million) USD Bonds aggregating to ₹ 3,789.63 Crores (31st March, 2021- ₹ 3,655.50 Crores) are redeemable by bullet payment in FY 2026.
Secured 4.25% USD Bonds		- 4.25% 452.50 Million (31st March, 2021 - 482.50 Million) USD Bonds aggregating to ₹ 3,429.61 Crores (31st March, 2021- ₹ 3,527.56 Crores) are redeemable by Half yearly payment starting from May 2020 to May 2036.
Unsecured Inter Corporate Loan	-Unsecured	i) 3.5% ICD of ₹ 245.20 Crores, repayble in March 2025 & 2026 ii) 9% ICD of ₹ 87.78 Crores, repayable in 4th January, 2024 (31st March,2021 - ₹ 22.42 Crore) iii) 11% ICD of ₹ 145.24 Crores, repayble in March 2026 (31st March,2021 - ₹ 10.88 Crore)

Note : During the year the Company has complied with all the covenants as required under bond agreement.

Notes to Financial Statements for the year ended 31st March, 2022

21 Provisions

(₹ in Crores)

	Non-current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Provision for Gratuity	-	-	-	-
Provision for Compensated Absences (Refer Note 40)	0.08	0.34	0.03	0.06
Total	**0.08**	**0.34**	**0.03**	**0.06**

22 Current Financial Liabilities - Borrowings

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Secured Borrowings		
Term Loan		
- From Banks	209.00	20.00
Current maturities of long-term borrowings (Secured) (Refer Note 20)	229.49	216.84
Bank Over Draft (secured by way of Margin money deposits (Refer note 8 & 13)	703.35	352.39
Total (a)	**1,141.84**	**589.23**
Unsecured Borrowings		
- From Related Party	-	350.77
Total (b)	**-**	**350.77**
Total (a+b)	**1,141.84**	**940.00**

Notes:

- The Secured Term Loan from bank amounting to ₹ 209.00 Crores (31st march, 2021 ₹ 20.00 Crores) is secured by way of hyphothecation over current assets of ATL, ATIL, MEGPTCL. Negative lien on Fixed assets of ATIL and MEGPTCL.

- The Working Capital Demand Loan is secured by First pari passu charge on current assets (charge on receivable, cash, bank accounts) as well as non-current assets (i.e. investment, loans in group companies or other entities) of the company. Further, First pari passu charge over all of the a) accounts receivable of each of ATIL and MEGPTCL, b) the operating cash flow, book debts, receivables, loans and advances, commissions, dividend, interest, income, intengible including goodwill, intellectual property, revenues of whatsoever nature and wherever arising, present and future of each such group. And a negative lien from each of ATIL & MEGPTCL in respect of their respective fixed assets (movable & immovable) and all project contracts, licenses, permits both present and future.

- The Company has submitted all requisite filing on quarterly basis and there is no mismatch between these quarterly submissions and books of accounts.

23 Trade Payables

(₹ in Crores)

		As at 31st March, 2022	As at 31st March, 2021
Trade Payables			
-	Total outstanding dues of micro enterprise and small enterprise	0.12	0.04
-	Total outstanding dues of creditors other than micro enterprise and small enterprise	2.89	9.00
	Total	**3.01**	**9.04**

Notes to Financial Statements for the year ended 31st March, 2022

23 Trade Payables (Contd.)

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the standalone Financial Statements based on the information received and available with the company. The Company has not received any claim for interest from any supplier as at the balance sheet date. Hence, disclosure as per MSME Act is not required. These facts have been relied upon by the auditors.

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(a) The principal amount remaining unpaid to any supplier at the end of each accounting year	0.12	0.04
(b) Interest due on principal amount remaining unpaid to any supplier at the end of each accounting year	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note : Trade Payables ageing schedule

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		<1 year	1-2 years	2-3 years	>3 years	
As at 31st March, 2022						
(a) MSME	0.12	-	-	-	-	0.12
(b) Others	2.48	0.41	0.00	-	-	2.89
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	**2.60**	**0.41**	**0.00**	**-**	**-**	**3.01**

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		<1 year	1-2 years	1-2 years	>3 years	
As at 31st March, 2021						
(a) MSME	0.04	-	-	-	-	0.04
(b) Others	6.80	-	0.09	0.01	2.10	9.00
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	**6.84**	**-**	**0.09**	**0.01**	**2.10**	**9.04**

(Figures below ₹ 50,000 are denominated by ₹ 0.00 Crores)

Notes to Financial Statements for the year ended 31st March, 2022

24 Current Financial Liabilities - Others

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due on borrowings	77.89	85.20
Derivative instruments designated in hedge accounting relationship (Refer note 42)	21.62	129.99
Payable on purchase of property, plant and equipment	0.70	0.47
Advance From Customers	-	4.00
Other Financial liabilities	30.44	0.25
Total	**130.65**	**219.91**

25 Other Current Liabilities

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Statutory Liabilities	6.92	4.85
Total	**6.92**	**4.85**

26 Revenue from Operations

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Sale of Traded Goods	734.79	755.00
Sale of Services	5.02	0.23
Total	**739.81**	**755.23**

Details of Revenue from Contract with Customer

Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade receivables (Refer note 11)	0.01	0.08
Contract assets	-	-
Contract liabilities	-	-

The contract assets primarily relate to the Company's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the Customer. The contract liabilities primarily relate to the advance consideration received from the customers.

Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue as per contracted price	739.81	755.23
Adjustments		
Discounts	-	-
Revenue from contract with customers	**739.81**	**755.23**

Notes to Financial Statements for the year ended 31st March, 2022

27 Other Income

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Income		
- Bank	58.43	56.72
- Loans & Advance	587.64	616.58
- Others	0.23	1.68
Gain on Fair/Sale Value on instrument / investment measured at FVTPL	50.55	0.11
Foreign Exchange Fluctuation Gain - Borrowings (Net)*	3.96	-
Unclaimed liabilities / Excess provision written back	0.05	-
Other Income	-	4.34
Total	**700.86**	**679.43**

* Note : Including Mark to Market loss of ₹ 247.39 Crore (P.Y. ₹ Nil) on Derivative Instruments designated in hedge accounting relationship.

28 Purchases of Stock - in - Trade

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Purchases of Stock - in - trade	734.11	754.43
Total	**734.11**	**754.43**

29 Employee Benefits Expense

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages and Bonus	1.45	3.65
Contribution to Provident and Other Funds *	0.08	0.11
Staff Welfare Expenses	0.04	0.04
Total	**1.57**	**3.80**

*Including contribution to Gratuity expense of ₹ (0.05) Crores (PY ₹ (0.06) Crores)

30 Finance costs

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Expenses	424.92	373.95
Interest on Lease Obligation	0.10	0.02
Bank Charges & Other Borrowing Costs	10.48	6.12
Foreign Exchange Fluctuation Loss - Borrowings (Net)*	-	55.13
Hedging Cost (including premium / interest)	327.46	255.02
Total	**762.96**	**690.24**

*Note : Including Mark to Market gain of ₹ Nil (P.Y. ₹ 313.05 Crores) on Derivative Instruments designated in hedge accounting relationship.

Notes to Financial Statements for the year ended 31st March, 2022

31 Other Expenses

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Stores and Spares Consumed	0.10	0.08
Repairs and Maintenance - Others	0.02	-
Rates and Taxes	0.01	-
Legal & Professional Expenses	4.06	5.17
Directors' Sitting Fees	0.24	0.18
Loss on Sale of Scrap	0.00	-
Corporate Social Responsibility (Refer Note 38)	0.26	0.23
Payment to Auditors (Refer note below)	0.52	0.52
Bid & Tender Expense	0.54	0.32
Communication Expenses	0.00	0.01
Travelling & Conveyance Expenses	0.04	0.00
Miscellaneous Expenses	0.59	0.60
Total	**6.38**	**7.11**

(₹ in Crores)

Payment to Auditors (Excluding Goods and Service Tax)	For the year ended 31st March, 2022	For the year ended 31st March, 2021
As auditor:		
Statutory Audit Fees	0.44	0.43
Out of pocket expenses	0.00	0.02
Others	0.08	0.07
Total	**0.52**	**0.52**

(Figures below ₹ 50,000 are denominated by ₹ 0.00 Crores)

32 Income Tax

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Income Tax Expenses		
Current Tax :		
Income Tax Charge	-	-
	-	**-**

The Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective from 01 April, 2019 subject to certain conditions. In the previous year, the Company has adopted to pay the tax at concessional rate by adopting to the said scheme.

Notes to Financial Statements for the year ended 31st March, 2022

32 Income Tax (Contd.)

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Accounting profit/(loss) before tax	(64.61)	(21.21)
Income tax using the company's domestic tax rate @ 25.168%	(16.26)	(5.34)
Tax Effect of :		
i) Incremental depreciation / allowance allowable on assets	0.05	0.04
ii) Non deductiable expenses	0.07	0.06
iii) Interest accrued on perpetual equity instrument	(56.95)	(58.31)
iv) In the absence of certainty of future profits no deferred tax asset recognised on unabsorbed business losses	73.09	63.54
Income tax recognised in statement of profit and loss at effective rate	**-**	**-**

Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following :

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unused tax credits	-	-
Unused tax losses (Revenue in nature) and Unabsorbed depreciation*	1,322.10	1,000.74

*** Note -**

1. The Company is having carried forward losses aggregating to ₹ 1321.55 crore (Previous Year ₹ 1,000.29 crore) under the Income Tax Act, 1961.
2. Deferred tax assets has not been recognised in respect of the unabsorbed depreciation and unabsorbed losses of the Company aggregating to ₹ 1322.10 crore (Previous year ₹ 1,000.74 crore), in the absence of certainty of future profits. The expiry of unrecognised Deferred Tax Asset is as detailed below:

(₹ in Crores)

As at 31st March, 2022	Business Losses	Unabsorbed Depreciation	Total
Unrecognised deferred tax assets			
Within One Year	0.00	-	0.00
Greater than one year, less than five years	389.63	-	389.63
Greater than five years	931.92	-	931.92
No expiry date	-	0.55	0.55
Total	**1,321.55**	**0.55**	**1,322.10**

32 Income Tax (Contd.)

(₹ in Crores)

As at 31st March, 2021	Business Losses	Unabsorbed Depreciation	Total
Unrecognised deferred tax assets			
Within One Year	-	-	-
Greater than one year, less than five years	137.19	-	137.19
Greater than five years	863.10	-	863.10
No expiry date	-	0.45	0.45
Total	**1,000.29**	**0.45**	**1,000.74**

(Figures below ₹ 50,000 are denominated by ₹ 0.00 Crores)

33 Earnings Per Share (EPS)

		For the year ended 31st March, 2022	For the year ended 31st March, 2021
Basic and Diluted EPS - From Total Operations			
Profit/(Loss) after tax	(₹ in Crores)	(64.61)	(21.21)
Less: Distribution on Unsecured Perpetual Equity Instrument	(₹ in Crores)	(226.30)	(231.67)
Loss attributable to equity shareholders	(₹ in Crores)	(290.91)	(252.88)
Weighted average number of equity shares outstanding during the year	No.	1,09,98,10,083	1,09,98,10,083
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	(2.65)	(2.30)

34 Contingent liabilities and Commitments

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Contingent liabilities :		
Performance bank guarantee given by the Company on behalf of Subsidiary companies	281.04	361.79
Total	**281.04**	**361.79**

Note:

- Performance Bank guarantee given by the Company on behalf of Subsidiary companies against which the Subsidiary companies have taken counter guarantees from their respective EPC contractors.

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(ii) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	6.89	-

Note :

- The Company has funding commitments to a subsidiary, the occurrence and amounts of which are contingent on occurrence of future events.

Notes to Financial Statements for the year ended 31st March, 2022

35 (i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

36 (i) Consequent to Share Purchase Agreement dated 15th December, 2021 entered into between the company and Adani Ports and Special Economic Zone Limited (APSEZ), The Company has during the year acquired 100% stake in MPSEZ Utilities Limited ("MUL") (Formerly known as 'MPSEZ Utilities Private Limited) for an upfront cash consideration of ₹ 116.27 Crores. MUL was incorporated primarily to provide the facility of distribution of electricity, effluent & sewage treatment in Mundra SEZ area, Kutch, Gujarat spread across 8,481 hectares as a distribution licensee.

(ii) The Company has signed a Share Purchase Agreement (SPA) on 24th December, 2021 and completed the acquisition of the SPV, Karur Transmission Limited (KTL), incorporated by PFC Consulting Ltd. KTL will build, own, operate and maintain the transmission project in Tamil Nadu for a period of 35 years. This Project comprises of 2x500MVA, 400/230 kV Karur Pooling Station (at location between Karur Wind Energy Zone and Tiruppur Wind Energy Zone) LILO of both circuits of Pugalur – Pugalur (HVDC) 400 kV D/c line at Karur PS.

(iii) The Company has signed a Share Purchase Agreement (SPA) on 24th December, 2021 and completed the acquisition of the SPV, Khavda-Bhuj Transmission Limited (KBTL), incorporated by PFC Consulting Ltd. KBTL will build, own, operate and maintain the transmission project in Gujarat for a period of 35 years. This Project comprises of 220 ckt km of transmission line connecting Khavda pooling station with Bhuj pooling station 4,500 MVA, 765 kV Gas Insulated Substation at Khavda.

(iv) The Company has signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, MP Power Transmission Package-II Limited (MP Power), incorporated by REC Power Development and Consultancy Limited. MP Power will build, own, operate and maintain the transmission project in Madhya Pradesh for a period of 35 years. This Project comprises of approximately 850 ckt km of Transmission Lines & Air Insulated Substations of various voltage levels (220kV and 132kV) in 18 Districts of Madhya Pradesh.

37 Leases

Disclosure under Ind AS 116 Leases:

(₹ in Crores)

Particulars	Amount
Balance as at 1st April, 2021	0.17
Addition in Lease Liabilities	1.37
Finance Costs incurred during the year	0.10
Net Payments of Lease Liabilities	(0.14)
Balance as at 31st March, 2022	**1.50**

(₹ in Crores)

Particulars	Amount
Balance as at 1st April, 2020	0.33
Finance Costs incurred during the year	0.02
Net Payments of Lease Liabilities	(0.17)
Balance as at 31st March, 2021	**0.17**

Notes to Financial Statements for the year ended 31st March, 2022

38 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The utilisation is done by way of contribution towards various activities.

(a) Gross amount as per the limits of Section 135 of the Companies Act, 2013 : ₹ 0.26 Crores (Previous year : ₹ 0.23 Crores)

(b) Amount spent and paid during the year ended 31st March, 2022 : ₹ 0.26 Crores (Previous year : ₹ 0.23 Crores)

Details of Corporate Social Responsibilities

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(i) Amount required to be spent by the company during the year	0.26	0.23
(ii) Amount of expenditure incurred	0.26	0.23
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
Total amount contributed during the year	**0.26**	**0.23**

(v) Reason for shortfall : N.A.

(vi) Nature of CSR activities: During the year, company has donated ₹ 0.26 Crores to Adani Foundation to spent on Medical care and development of local area (in previous year, Activities related to Mobile Health-care unit (Promoting Health care) in Kawai district of Rajasthan state.)

(vii) Details of related party transactions, e.g.,contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	0.26	0.23
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	N.A.	N.A.

39 Segment Reporting

The Company prepares parent's separate financial statements as well consolidated financial statements and hence segment reporting as required under Ind AS 108 - 'Operating Segment' has been given in consolidated financial statements. Hence, no separate disclosure of segment reporting is required.

40 As per Ind AS 19 "Employee Benefits", the disclosures are given below.

- The Company has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy for future payment of gratuity to the employees.

- Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset – liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

Notes to Financial Statements for the year ended 31st March, 2022

40 As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd.)

(a) (i) Defined Benefit Plan

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19:

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
i). Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	0.38	0.23
Current Service Cost	0.02	0.07
Interest Cost	0.02	0.02
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	(0.01)	-
- Change in financials assumptions	0.03	-
- Experience variance (i.e. Actual experience vs assumptions)	(0.10)	0.06
Liabilities Transfer In/Out	0.01	-
Benefits paid	(0.23)	-
Present Value of Defined Benefit Obligations at the end of the Year	0.12	0.38
ii). Reconciliation of Opening and Closing Balances of the Fair value of Plan assets		
Fair Value of Plan assets at the beginning of the Year	1.41	2.22
Investment Income	0.09	0.15
Benefits paid	(0.74)	(0.74)
Return on plan assets, excluding amount recognised in net interest expenses	-	(0.22)
Fair Value of Plan assets at the end of the Year	0.76	1.41
iii). Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	0.12	0.38
Fair Value of Plan assets at the end of the Year	0.76	1.41
Net Asset / (Liability) recognized in balance sheet as at the end of the year	0.64	1.03
iv). Composition of Plan Assets		
100% of Plan Assets are administered by LIC		
v). Gratuity Cost for the Year		
Current service cost	0.02	0.07
Interest cost	0.02	0.02
Expected return on plan assets	(0.09)	(0.15)
Actuarial Gain / (Loss)	-	-
Net Gratuity cost recognised in the statement of Profit and Loss	(0.05)	(0.06)

Notes to Financial Statements for the year ended 31st March, 2022

40 As per Ind AS 19 "Employee Benefits", the disclosures are given below. (contd.)

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
vi). Other Comprehensive Income		
Actuarial (gains) / losses		
- Change in demographic assumptions	(0.01)	-
- Change in financial assumptions	0.03	-
- Experience variance (i.e. Actual experiences assumptions)	(0.10)	0.06
Return on plan assets, excluding amount recognised in net interest expense	-	0.22
Components of defined benefit costs recognised in other comprehensive income	(0.08)	0.28
vii). Actuarial Assumptions		
Discount Rate (per annum)	6.70%	6.70%
Annual Increase in Salary Cost	10.00%	8.00%

viii). The Company has defined benefit plans for Gratuity to eligible employees, the contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

ix). Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Defined Benefit Obligation (Base)	0.12	0.38

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.13	0.11	0.41	0.36
(% change compared to base due to sensitivity)	9.40%	-8.30%	6.50%	-5.90%
Salary Growth Rate (- / + 1%)	0.11	0.13	0.36	0.41
(% change compared to base due to sensitivity)	-8.10%	9.10%	-5.90%	6.30%
Attrition Rate (- / + 50%)	0.14	0.11	0.39	0.38
(% change compared to base due to sensitivity)	12.00%	-8.00%	0.90%	-0.70%
Mortality Rate (- / + 10%)	0.12	0.12	0.38	0.38
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

x). Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficient funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

40 As per Ind AS 19 "Employee Benefits", the disclosures are given below. (contd.)

xi). Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees of the group. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is Nil.

c) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows) - 9 years.

Expected cash flows over the next (valued on undiscounted basis):	(₹ in Crores)
1 year	0.01
2 to 5 years	0.04
6 to 10 years	0.05
More than 10 years	0.15

xii). The Company has defined benefit plans for Gratuity to eligible employees of the group, the contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2021-22.

The actuarial liability for compensated absences (including Sick Leave) as at the year ended 31st March 2022 is ₹ 0.44 Crores (31st March 2021 is ₹ 0.40 Crores).

(b) Defined Contribution Plan

(i) Provident fund

- Employer's contribution to Employees' State Insurance

The Company has recognised the following amounts as expense in the financial statements for the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Employer's Contribution to Provident Fund	0.12	0.17

41 The details of loans of the Company outstanding at the end of the year, in terms of regulation 53 (F) & 34(3) read together with para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2015) and as per section 186(4) of the Companies Act, 2013.

(₹ in Crores)

Name of the Company (Subsidiaries)	Outstanding Amount		Maximum amount outstanding during the year	
	As at 31st March, 2022*	As at 31st March, 2021	2021-22	2020-21
Maharashtra Eastern Grid Power Transmission Company Limited	1,513.63	2,132.58	2,132.58	2,310.98
Adani Transmission (India) Limited	552.74	1,205.54	1,205.54	1,562.77
Sipat Transmission Limited	-	-	-	7.17

Notes to Financial Statements for the year ended 31st March, 2022

41 (contd.)

(₹ in Crores)

Name of the Company (Subsidiaries)	Outstanding Amount		Maximum amount outstanding during the year	
	As at 31st March, 2022*	As at 31st March, 2021	2021-22	2020-21
Raipur–Rajnandgaon–Warora Transmission Limited	-	0.43	0.43	20.27
Chhattisgarh–WR Transmission Limited	-	10.47	10.47	59.53
Adani Transmission (Rajasthan) Limited	14.08	14.08	14.08	14.08
North Karanpura Transco Limited	97.56	263.18	377.15	263.18
Maru Transmission Services Company Limited	-	8.09	8.09	23.91
Aravali Transmission Service Company Limited	28.45	36.61	36.61	36.61
Western Transco Power Limited	-	22.04	22.04	57.21
Western Transmission (Gujarat) Limited	-	9.10	9.10	15.12
Fatehgarh- Bhadla Transmission Limited	341.18	253.89	341.18	253.89
OBRA-C Badaun Transmission Limited	215.89	191.24	226.82	191.24
WRSS XXI (A) Transco Limited	547.49	210.68	547.49	210.68
Bikaner Khetri Transmission Limited	-	-	-	143.42
Lakadia Banaskatha Transco Limited	611.76	118.59	611.76	118.59
Adani Transmission Step One Limited	0.41	-	0.41	-
Jam Khambaliya Transco Limited	61.77	24.77	61.77	67.82
Arasan Infra Private Limited	1.42	1.76	1.76	92.90
Sunrays infra Space Private Limited	-	4.10	217.70	518.95
AEML Infrastructure Limited	7.67	16.97	17.24	16.97
Adani Electricity Mumbai Infra Limited	-	11.12	33.45	11.12
Kharghar Vikhroli Transmission Limited	380.53	282.75	380.53	282.74
MP Power Transmission Package II Limited	17.90	-	17.90	-
ATL HVDC Limited	87.12	-	87.12	-
Warora Kurnool Transmission Limited	389.34	-	389.34	-
Alipurduar Transmission Limited	-	-	-	165.91
Karur Transmission Limited	6.25	-	6.25	-
Khavda-Bhuj Transmission Limited	14.83	-	14.83	-
	4,890.02	**4,817.99**		

* inculding amount of Interest Accrued.

- The details of Optionally Convertible Redeemable Preference Shares and Optionally Convertible Debentures are mentioned in note 6 - Non-Current investment.

Type of Borrowers	Amount of loan or advance in the nature of loan outstanding (₹ in Crores)		Percentage to the total Loans and Advances in the nature of loans	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Loans to Subsidiary Companies	4,890.02	4,817.99	98.80%	100.00%
Loans to Other related party	59.60	-	1.20%	-

Notes to Financial Statements for the year ended 31st March, 2022

42 Financial Instruments and Risk Overview

(a) Capital Management

The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, borrowings. The Company's policy is to use borrowings to meet anticipated funding requirements.

(₹ in Crores)

Particulars	Refer Note	31st March, 2022	31st March, 2021
Total Borrowings (Including Current Maturities)	20 & 22	8,547.37	7,863.94
Less: Cash and bank balances	12 & 13	388.72	18.06
Net Debt(A)		**8,158.65**	**7,845.88**
Equity Share Capital & Other Equity (Net)	17 & 19	845.53	1,256.91
Unsecured Perpetual Equity Instrument	18	3,131.28	2,829.70
Total Equity (B)		**3,976.81**	**4,086.61**
Total Equity and Net Debt (C=A+B)		**12,135.46**	**11,932.49**
Gearing Ratio : (A)/(C)		**0.67**	**0.66**

No changes were made in the objectives, policies or processes for managing capital during the year ended as at 31st March, 2022 and as at 31st March, 2021.

(b) Financial Risk Management Objectives

The Company's principal financial liabilities comprise borrowings, trade and other payables, The main purpose of these financial liabilities is to finance the Company's operations/projects .The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Company's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The Group's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Company is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

In the ordinary course of business, the Company is exposed to Market risk, Credit risk, and Liquidity risk.

42 Financial Instruments and Risk Overview (contd.)

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk.

1) Interest rate risk

The company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and period of borrowings. However, during the year and as at period end the Company does not have any borrowings with floating interest rates. Hence, the company is not exposed to any interest rate risk.

2) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company manages its foreign currency risk by hedging transactions that are expected to realise in future. Accordingly, as at period end the Company does not have any unhedged outstanding foreign exposure and hence the Company is not exposed to any foreign currency risk as at period end.

The Company has taken various derivatives to hedge its bonds and interest thereon. The outstanding position of derivative instruments are as under:

Nature	Purpose	As at 31st March, 2022		As at 31st March, 2021	
		Foreign Currency (USD in Million)	(₹ in Crores)	Foreign Currency (USD in Million)	(₹ in Crores)
i) Principal only swaps*	Hedging of foreign currency bond principal liability	546.25	4,140.17	561.25	4,103.30
ii) Forward covers*	Hedging of foreign currency bond principal & Interest liability	445.16	3,374.00	461.44	3,373.57

* Refer note - 20

The details of foreign currency exposures not hedged by derivative instruments are as under :

Nature	As at 31st March, 2022		As at 31st March, 2021	
	USD in Millions	₹ in Crores	USD in Millions	₹ in Crores
Creditors	0.09	0.65	0.65	4.75
Current financial Liabilities	2.73	20.69	-	-

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following impact on profit before tax (₹ in Crores)

Particulars	For the Year 2021-22		For the Year 2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Risk Sensitivity				
Rupee / USD - (Increase) / Decrease	(0.21)	0.21	(0.05)	0.05

Derivative Financial Instrument

- The Company uses derivatives instruments as part of its management of risks relating to exposure to fluctuation in foreign currency exchange rates. The Company does not acquire derivative financial instruments for trading or speculative purposes neither does it enter into complex derivative transactions to manage the above risks. The derivative transactions are normally in the form of Principal Only Swaps and Forward Currency Contracts to hedge its foreign currency risks and are subject to the Company's guidelines and policies.

Notes to Financial Statements for the year ended 31st March, 2022

42 Financial Instruments and Risk Overview (contd.)

- The fair values of all derivatives are separately recorded in the balance sheet within current and non current assets and liabilities. Derivative that are designated as hedges are classified as current or non current depending on the maturity of the derivative.

- The use of derivative can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with stipulated / reputed banks and financial institutions. The use of derivative instrument is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivative is mitigated by changes in the valuation of underlying assets, liabilities or transactions, as derivatives are used only for risk management purpose.

- The Company enters into derivative financial instruments, such as principal only swaps and forward currency contracts for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended March 31, 2022.

The fair value of the Group's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows :

(₹ in Crores)

Derivative Financials Instruments	As at 31st March, 2022		As at 31st March, 2021	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
-Forward	-	20.77	-	77.42
-Principal Only Swaps	111.84	0.85	99.41	52.57
Total	**111.84**	**21.62**	**99.41**	**129.99**

- Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The Company has adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial losses from default, and generally does not obtain any collateral or other security on trade receivables.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

- Liquidity risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

The table below is analysis of derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in Crores)

As at 31st March, 2022	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings *#	1,435.58	6,245.29	3,063.00	10,743.87
Derivative Financial Liabilities	21.62	-	-	21.62
Trade Payables and Other Financial Liabilities **	112.04	-	-	112.04

Notes to Financial Statements for the year ended 31st March, 2022

42 Financial Instruments and Risk Overview (contd.)

(₹ in Crores)

As at 31st March, 2021	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings *#	927.72	2,002.18	6,935.15	9,865.05
Derivative Financial Liabilities	129.99	-	-	129.99
Trade Payables and Other Financial Liabilities **	99.14	-	-	99.14

* Includes Non-current borrowings, current borrowings, current maturities of non-current borrowings, committed interest payments on borrowings.

** Includes both Non-current and current financial liabilities. Excludes current maturities of non-current borrowings.

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company.

43 Fair Value Measurement

The carrying value of financial instruments by categories as on 31st March, 2022:

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Subsidiaries (Compulsory Convertible Debentures)	-	-	87.37	87.37	87.37
Investments in Subsidiaries (Optionally Convertible Debentures)	-	461.14	-	461.14	461.14
Investments in Subsidiaries (Optionally Convertible Redeemable Preference Shares)	-	8.17	-	8.17	8.17
Trade Receivables	-	-	0.01	0.01	0.01
Cash and Cash Equivalents	-	-	2.15	2.15	2.15
Other Balances with Bank	-	-	746.57	746.57	746.57
Loans	-	-	4,957.27	4,957.27	4,957.27
Derivatives instruments	(144.15)	255.99	-	111.84	111.84
Other Financial Assets	-	-	119.07	119.07	119.07
Total	**(144.15)**	**725.30**	**5,912.44**	**6,493.59**	**6,493.59**
Financial Liabilities					
Borrowings (Including Interest Accrued & Current Maturities)	-	-	8,625.26	8,625.26	8,179.93
Trade Payables	-	-	3.01	3.01	3.01
Derivatives instruments	(16.37)	37.99	-	21.62	21.62
Other Financial Liabilities	-	-	32.64	32.64	32.64
Total	**(16.37)**	**37.99**	**8,660.91**	**8,682.53**	**8,237.20**

Notes to Financial Statements for the year ended 31st March, 2022

43 Fair Value Measurement (Contd.)

The carrying value of financial instruments by categories as on 31st March, 2021:

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Subsidiaries (Compulsory Convertible Debentures)	-	-	81.61	81.61	81.61
Investments in Subsidiaries (Optionally Convertible Debentures)	-	393.16	-	393.16	393.16
Investments in Subsidiaries (Optionally Convertible Redeemable Preference Shares)	-	6.97	-	6.97	6.97
Trade Receivables	-	-	0.08	0.08	0.08
Cash and Cash Equivalents	-	-	8.02	8.02	8.02
Other Balances with Bank	-	-	747.69	747.69	747.69
Loans	-	-	4,824.73	4,824.73	4,824.73
Derivatives instruments	(60.63)	160.04	-	99.41	99.41
Other Financial Assets	-	-	284.83	284.83	284.83
Total	**(60.63)**	**560.17**	**5,946.96**	**6,446.50**	**6,446.50**
Financial Liabilities					
Borrowings (Including Interest Accrued & Current Maturities)	-	-	7,949.15	7,949.15	8,267.69
Trade Payables	-	-	9.04	9.04	9.04
Derivatives instruments	21.55	108.44	-	129.99	129.99
Other Financial Liabilities	-	-	4.90	4.90	4.90
Total	**21.55**	**108.44**	**7,963.09**	**8,093.08**	**8,411.62**

- Above excludes carrying value of equity nature Investments in subsidiaries accounted at cost in accordance with Ind AS 27.

- The management assessed that the fair value of cash and cash equivalents, other balance with banks, investments, trade receivables, derivative instruments, loans, trade payables, other financial assets and liability approximate their carrying amount largely due to the short term maturities of these instruments.

- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

- The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.

- The Company enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the company's own non-performance risk.

Notes to Financial Statements for the year ended 31st March, 2022

44 Fair Value hierarchy

(₹ in Crores)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Level 1	Level 2	Level 1	Level 2
Assets measured at fair value				
Investments in Subsidiaries	-	469.31	-	400.13
Assets measured at amortised cost				
Loans	-	4,957.27	-	4,824.73
Investments in Subsidiaries	-	87.37	-	81.61
Derivative Instruments designated in hedge accounting relationship				
Derivative Instruments	-	111.84	-	99.41
Total	**-**	**5,625.79**	**-**	**5,405.88**
Liabilities for which fair values are disclosed				
Borrowings (Including Interest Accrued & Current Maturities)	6,789.11	1,390.82	7,497.66	770.03
Derivative Instruments designated in hedge accounting relationship				
Derivative Instruments	-	21.62	-	129.99
Total	**6,789.11**	**1,412.44**	**7,497.66**	**900.02**

- The fair value of Investments in Subsidiaries has been determined using Discounted Cash Flow Method.
- The fair value of Loans given is equivalent to amortised cost.
- The fair value of Derivative instruments is derived using valuation techniques which include forward pricing and swap models using present value calculations.
- The Borrowing includes USD bonds which are listed in Singapore Stock Exchange. The fair value of Bonds have been determined based on the prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.

45 Related party disclosures :

As per Ind AS 24, Disclosure of transaction with related parties are given below:

> **Ultimate Holding Entity**	S. B. Adani Family Trust (SBAFT)
> **Subsidiary Company**	Adani Transmission (India) Limited
	Maharashtra Eastern Grid Power Transmission Company Limited
	Sipat Transmission Limited
	Raipur – Rajnandgaon – Warora Transmission Limited
	Chhattisgarh – WR Transmission Limited
	Adani Transmission (Rajasthan) Limited
	North Karanpura Transco Limited
	Maru Transmission Service Company Limited
	Aravali Transmission Service Company Limited
	Hadoti Power Transmission Service Limited.
	Barmer Power Transmission Service Limited.
	Thar Power Transmission Service Limited.
	Western Transco Power Limited.
	Western Transmission (Gujarat) Limited.

Notes to Financial Statements for the year ended 31st March, 2022

45 Related party disclosures : (Contd.)

> **Subsidiary Company**	Fatehgarh-Bhadla Transmission Limited
	Ghatampur Transmission Limited
	Adani Electricity Mumbai Limited
	AEML Infrastructure Limited
	OBRA-C Badaun Transmission Limited
	Adani Transmission Bikaner Sikar Private Limited
	Bikaner Khetri Transco Limited
	WRSS XXI(A) Transco Limited
	Arasan Infra Private Limited
	Sunrays Infra Space Private Limited
	Lakadia Banaskantha Transco Limited
	Jam Khambaliya Transco Limited
	Power Distribution Service Limited (Formerly known as 'Adani Electricity Mumbai Services Limited')
	Adani Electricity Mumbai Infra Limited
	Kharghar Vikhroli Transmission Limited (Formerly known as 'Kharghar Vikhroli Transmission Private Limited')
	Adani Transmission Step-One Limited
	Alipurduar Transmission Limited
	AEML Seepz Limited
	Warora - Kurnool Transmission Limited
	MP Power Transmission Package-II Limited (w.e.f 1st Novemeber, 2021)
	ATL HVDC Limited (w.e.f 16th June, 2021)
	MPSEZ Utilities Limited (w.e.f. 15th December, 2021) (Formerly known as 'MPSEZ Utilities Private Limited)
	Karur Transmission Limited (w.e.f. 18th January, 2022)
	Khavda-Bhuj Transmission Limited (w.e.f. 18th January, 2022)
> **Key Managerial Personnel (KMP)**	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director and Chief Executive Officer
	Mr. Kaushal Shah, Chief Financial Officer (Upto 2nd February, 2021)
	Mr. Jaladhi Shukla, Company Secretary
	Mr. K. Jairaj - Non Executive Director
	Dr. Ravindra H. Dholakia - Non Executive Director
	Mr. Rohit Soni - Chief Financial Officer (from 6th September, 2021)
	Ms. Lisa Caroline Maccallum - Non Executive Director (from 30th November, 2021)
	Ms. Meera Shankar - Non Executive Director
> **Entities under Common Control with whom there are transactions during the year**	Adani Infra (India) Limited
	Adani Power (Mundra) Limited
	Adani Power Limited
	Adani Foundation
	Adani Green Energy Limited

45 Related party disclosures : (Contd.)

(A) Transactions with Related Parties

(₹ in Crores)

Particulars	With Subsidiary Company		With Entities under Common Control		With Key Managerial Personnel	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Sale of Goods	**0.51**	-	**-**	-	**-**	-
Interest Income (Refer Note: 1)	**577.61**	604.11	**7.56**	10.98	**-**	-
Interest Expenses	**28.66**	1.77	**4.72**	6.03	**-**	-
Rent Paid	**0.36**	0.17	**-**	-	**-**	-
Distribution on Perpetual Equity Instrument (Refer Note: 2)	**-**	-	**226.30**	231.67	**-**	-
Recovery of Expenses	**2.75**	5.12	**0.00**	-	**-**	-
Loans Given (Refer Note: 3)	**2,864.33**	2,706.21	**427.40**	1,467.51	**-**	-
Loans Received Back (Refer Note: 3)	**3,066.53**	2,887.70	**367.80**	1,467.51	**-**	-
Conversion of Loan into Purchase/ Subscription of Investment	**-**	25.33	**-**	-	**-**	-
Unsecured Perpetual Equity Instrument issued	**75.62**	-	**-**	-	**-**	-
Unsecured Perpetual Equity Instrument repaid (Refer Note: 4)	**-**	-	**-**	680.00	**-**	-
Loans Taken	**2,977.50**	99.45	**721.17**	785.34	**-**	-
Loans Repaid	**2,553.57**	66.14	**1,071.94**	434.58	**-**	-
Purchase/Subscription of Investment (including Preference Share)	**-**	78.06	**-**	-	**-**	-
Investment in Loan in the nature of Equity	**58.25**	-	**-**	-	**-**	-
Investment in Loan in the nature of Equity received back	**20.58**	-	**-**	-	**-**	-
Investment in Equity Instrument	**248.99**	-	**116.27**	-	**-**	
Investment in Optionally Convertible Debentures	**20.98**	145.55	**-**	-	**-**	-
Investment in Compulsory Convertible Debentures	**3.41**	24.71	**-**	-	**-**	-
Conversion of Loans into investment in Optionally Convertible Debentures	**-**	50.67	**-**	-	**-**	-
Conversion of Loans into investment in Compulsory Convertible Debentures	**-**	25.33	**-**	-	**-**	-
Directors Sitting Fees	**-**	-	**-**	-	**0.24**	0.18
Corporate Social Responsibility Expenses	**-**	-	**0.26**	0.23	**-**	-
Investment Decrease in Optionally Convertible Redeemable Preference Shares	**-**	544.65	**-**	-	**-**	-
Bank Guarantee Given (Refer Note: 5)	**281.04**	361.79	**-**	-	**-**	-

- The Company has pledged Shares of its Subsidiary Companies against the borrowing. (Refer note 6 - Non-Current investment)

- All above transactions are in normal course of business and are made on terms equivalent to those that prevail arm's length transactions.

Notes to Financial Statements for the year ended 31st March, 2022

45 Related party disclosures : (Contd.)

Notes:

1. Interest on Loan given to Subsidiary Companies and Entity under Common Control.
2. Accrued on Perpetual Equity infused by Entity under common control.
3. Financial support to Subsidiary Companies primarily for Green field Growth.
4. Long term equity support by way of Perpetual instruments from entities under common control.
5. Bank guarantee given by company on behalf of Subsidiary Companies which were taken over to carry out the business awarded under tariff based competitive bidding towards performance of work awarded.

(B) Balances with Related Parties

(₹ in Crores)

Particulars	With Subsidiary Company		With Entities under Common Control		With Key Managerial Personnel	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Loans Receivable	**4,890.02**	4,817.99	**59.60**	-	**-**	-
Loans Payable	**478.22**	33.30	**-**	350.77	**-**	-
Interest Receivable	**96.64**	252.67	**3.03**	-	**-**	-
Interest Payable	**-**	1.63	**-**	5.04	**-**	-
Account Payable	**0.39**	-	**0.02**	-	**-**	-
Other Receivable	**13.05**	8.17	**0.06**	-	**-**	-
Bank Guarantee	**281.04**	361.79	**-**	-	**-**	-
Unsecured Perpetual Equity Instrument	**75.62**	-	**3,055.66**	2,829.70	**-**	-

(Transactions below ₹ 50,000.00 denoted as ₹ 0.00 Crores)

46 Ratios:

(₹ in Crores)

Name of Ratio	Particulars	Numerator / Denominator taken	As at 31st March, 2022	As at 31st March, 2021	% change in Ratio	Remark - Any change in the ratio by more than 25% as compared to the preceding year.
(a) Current Ratio	**Ratio**		**0.97**	**0.43**	**122.07%**	
	Numerator	Current Assets	1,238.43	510.53		During the current year, on account of change in terms of Loan given from Long Term to Short Term, there is increase in current Assets.
	Denominator	Current Liabilities	1,282.48	1,174.03		
(b) Debt-Equity Ratio	**Ratio**		**2.15**	**1.92**	**11.69%**	
	Numerator	Total Debt	8,547.37	7,863.94		
	Denominator	Total Equity (Shareholder's Fund)	3,976.81	4,086.61		
(c) Debt Service Coverage Ratio	**Ratio**		**0.68**	**0.79**	**-14.31%**	
	Numerator	Net Profit After Tax before OCI + Depreciation + Interest	603.99	578.04		
	Denominator	Interest & Principal Repayment	889.31	729.28		

Notes to Financial Statements for the year ended 31st March, 2022

46 Ratios: (Contd.)

(₹ in Crores)

Name of Ratio	Particulars	Numerator / Denominator taken	As at 31st March, 2022	As at 31st March, 2021	% change in Ratio	Remark - Any change in the ratio by more than 25% as compared to the preceding year.
(d) Return on Equity Ratio	**Ratio**		**(0.07)**	**(0.06)**	**26.93%**	Due to increase in loss distributable to Equity shareholder in FY 2021-22
	Numerator	Earning avaliable to Shareholder	(290.91)	(252.88)		
	Denominator	Average Total Equity	4,031.71	4,448.53		
(e) Inventory turnover ratio*	**Ratio**		**NA**	**NA**		
	Numerator	Net Sales	-	-		
	Denominator	Average Inventory	-	-		
(f) Trade Receivables turnover ratio	**Ratio**		**16,328.62**	**15.61**	**104533.30%**	Variation is on account, realisation of receivable pertaining to FY 2019-20 in FY 2020-21.
	Numerator	Net Credit Sales	734.79	755.00		
	Denominator	Average Trade Receivables	0.04	48.38		
(g) Trade payables turnover ratio	**Ratio**		**121.80**	**11.32**	**975.70%**	Variation is on account, liquidation of payable pertaining to FY 2019-20 in FY 2020-21.
	Numerator	Net Purchase	734.11	754.43		
	Denominator	Average Trade Payables	6.03	66.63		
(h) Net capital turnover ratio	**Ratio**		**(5.63)**	**0.83**	**-779.02%**	Variation is on account of movement in working capital, mainly contributed by Derivative liabilities pertaining to Rapid -II bond.
	Numerator	Net Sales	734.79	755.00		
	Denominator	Average Working Capital (Current asssets - Current liablities (excluding current matuirty of long term borrowing)	(130.61)	911.27		
(i) Net profit ratio	**Ratio**		**(0.09)**	**(0.03)**	**213.05%**	Due to increase in loss in FY 2021-22 compared to FY 2020-21.
	Numerator	PAT	(64.61)	(21.21)		
	Denominator	Total Revenue	734.79	755.00		
(j) Return on Capital employed	**Ratio**		**0.05**	**0.05**	**1.04%**	
	Numerator	EBIT	603.73	577.75		
	Denominator	Capital Employed	11,611.83	11,227.39		
(k) Return on investment*	**Ratio**		**NA**	**NA**		
	Numerator	Income From Investment	-	-		
	Denominator	Cost of Investment	-	-		

* Considering the nature of business, Inventory turnover ratio and Return on Investment ratio are not applicable.

Notes to Financial Statements for the year ended 31st March, 2022

47 Other Disclosures

(i) There is no transaction with struck off Companies during year.

(ii) Due to outbreak of COVID-19 globally and in India, management has made initial assessment of impact on business and financial risks on account of COVID-19. Considering that the Company's investments are in subsidiary companies, which are engaged in the business of Generation, Transmission and Distribution of Power, which is considered to be an Essential Service, the management believes that the impact of this outbreak on the business and financial position of the Company will not be significant. The management does not see any risk in the Company & Subsidiary Companies of the Company to continue as a going concern and meeting its liabilities as and when they fall due.

(iii) The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 5th May, 2022, there are no subsequent events to be recognized or reported that are not already disclosed.

(iv) The Financial Statements for the year ended 31st March, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 5th May, 2022.

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI	**RAJESH S. ADANI**	**ANIL SARDANA**	**ROHIT SONI**	**JALADHI SHUKLA**
Chairman DIN: 00006273	Director DIN: 00006322	Managing Director and Chief Executive Officer DIN: 00006867	Chief Financial Officer	Company Secretary

Date : 5th May, 2022

Independent Auditor's Report

To The Members of Adani Transmission Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Adani Transmission Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter Description	Auditor's Response
1	**Hedge accounting and the related disclosures for currency derivatives:** (Refer to Note 49 to the Consolidated Financial Statements) As explained in Note 2(i) of the consolidated financial statements, the Company has foreign currency exposures from foreign currency denominated borrowings. The Company has hedged its foreign currency exposure through various currency derivative contracts which are recorded at fair value and has applied hedge accounting.	**Principal audit procedures performed:** • We obtained an understanding of and tested the design and implementation and operating effectiveness of the management's controls over the determination of a hedge, adequacy of hedge documentation, evaluation of the hedge effectiveness, fair valuation of currency derivatives and hedge accounting.

Sr. No.	Key Audit Matter Description	Auditor's Response
	Due to the changes in risks and estimates during the lifecycle of these derivative contracts, we identified the hedge accounting for currency derivatives and the adequacy of the related disclosures as a key audit matter because of the degree of subjectivity/management judgment required to determine hedges effectiveness and requires management to maintain hedge documentation. These transactions may have a significant financial effect.	• For a sample of the derivative contracts : i. Inspected the hedge documentations for such derivative contracts and evaluated the management's assessment of hedge effectiveness. ii. Tested the existence of the derivative contracts outstanding as at March 31, 2022 by obtaining confirmations directly from contract counterparties for the currency derivatives. iii. Reperformed the fair valuations with the involvement of our internal fair valuation specialists, to evaluate the reasonability of fair values of the currency derivatives and the hedge effectiveness thereof has been appropriately determined by the management; • Assessed the adequacy of the disclosures in respect of the currency derivatives and hedge accounting in accordance with the disclosure requirements of Ind AS 107-Financial Instruments: Disclosures, Ind AS 113- Fair Value Measurement.
2	**Impairment of Transmission License having indefinite life:** (Refer to Note 58 to the Consolidated Financial Statements) As per the requirements of Ind AS 36, the Group is required to test Intangible assets with indefinite life, being Transmission License, for impairment on an annual basis. Accordingly, the Group has carried out a detailed evaluation of the recoverable value of transmission license and has concluded that the carrying value of the transmission license is good and recoverable. Since, the evaluation of recoverable values involves multitude of factors and assumptions involved in determining the forecasted revenues/cash flows and discount rate in the projection period, we have identified the impairment evaluation of transmission license as a key audit matter.	**Principal audit procedures performed:** • We evaluated the design, implementation and tested the operating effectiveness of controls over impairment assessment process which *inter alia* included the management's evaluation of the reasonableness of estimates including those over the forecasts of future revenues, future capital expenditure and selection of discount rates. • We obtained management's impairment assessment and performed the following substantive procedures: i. Evaluated the reasonableness of key assumption including revenue, future capital expenditure terminal values and selection of discount rates. ii. Evaluated the appropriateness of other key assumptions considered, in developing the projections by considering the historical accuracy of the Company's estimates in the prior periods. iii. With the assistance of our internal fair value specialists we to evaluated the appropriateness of the valuation methodology and the reasonability of the discount rate, by developing a range of independent estimates and comparing those to the discount rate selected by management. iv. Performed a sensitivity analysis to determine the effect of variation in the cash flow estimates

Sr. No.	Key Audit Matter Description	Auditor's Response
3	**Accrual of Regulatory Deferrals:** (Refer to Note 57 to the Consolidated Financial Statements) In the respect of Mumbai Distribution business, of the Group, the tariff is determined by Maharashtra Electricity Regulatory Commission (MERC) on cost plus return on equity basis wherein the cost is subject to certain laid down benchmarks/ norms. The Group invoices its customers on the basis of pre-approved tariff which is based on provisional tariff orders and is subject to final true up exercise to be adjusted in the future tariff. The Group recognizes revenue on the basis of tariff invoiced to consumers. As the Group is entitled to a fixed return on equity, the Group recognizes regulatory deferral for the shortage / excess compared to the entitled return on equity. Based on its assessment, the Group has recognized net regulatory deferral liability of Rs 852.46 crores as at March 31, 2022(including Rs 682.47 crores for the year), The regulatory deferrals are determined based on tariff regulations, tariff orders, judicial pronouncements etc. and are subject to verification and approval by the regulators. Further the costs incurred are subject to laid down norms/benchmarks. Significant judgements and estimates are made in determining the regulatory deferrals including interpretation of tariff regulations, and accordingly we have classified the determination of such regulatory deferrals as a key audit matter.	**Principal audit procedures performed:** • We evaluated the design and implementation and tested operating effectiveness of the management's controls over accrual of regulatory deferrals. • For the regulatory deferral determined by the Company, we have: i. Examined the workings of the regulatory deferral with the balance as per the books of account to confirm the appropriate determination of return on equity. ii. Evaluated the reasonability of key estimates used by the Group in determining regulatory deferrals by comparing it with tariff regulations, prior years orders and past precedents

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of 33 subsidiaries, whose financial statements reflect total assets of Rs.16,739.16 crores as at March 31, 2022, total revenues of Rs.1,676.19 crores and net cash inflows amounting to Rs.4.81 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

We did not audit the financial statements of 1 subsidiary, whose financial statements reflect total assets of ₹ 15.16 crores as at 31st March, 2022, total revenues of Nil and net cash inflows amounting to ₹ 0.02 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India , none of the directors of the Group companies is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group ;

(ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company, and its subsidiary companies incorporated in India.

(iv) a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 63(iii)to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The respective Managements of the Parent and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries that, to the best of their knowledge and belief, as disclosed in the note 63(iv) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

(v) The Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements.

   In respect of the following companies included in the Consolidated Financial Statements, whose audits under section 143 of the Act has not yet been completed, the CARO Report as applicable in respect of those entities are not available and consequently have not been provided to us on the date of this audit report:

Name of the Component	CIN	Nature of Relationship
Khavda-Bhuj Transmission Limited	U40108DL2021GOI381217	Wholly Owned Subsidiary

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN: 22116642AILRVK6305)

Place: Ahmedabad
Date: May 05, 2022

ANNEXURE "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Adani Transmission Limited (hereinafter referred to as "the Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 33 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN: 22116642AILRVK6305)
Place: Ahmedabad
Date: May 05, 2022

Consolidated Balance Sheet as at 31st March, 2022

(₹ in Crores)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-current Assets			
Property, Plant and Equipment	5.1	27,905.02	25,166.26
Capital Work-In-Progress	5.2	5,060.16	5,239.73
Right of Use Assets	5.4	673.00	218.15
Goodwill		598.29	592.88
Other Intangible Assets	5.1	1,095.46	1,009.31
Intangible Assets Under Development	5.3	-	15.41
Financial Assets			
(i) Investments	6	264.17	267.24
(ii) Loans	7	1,128.54	1,073.82
(iii) Other Financial Assets	8	3,531.04	2,910.63
Income Tax Assets (Net)	9	88.87	63.07
Other Non-current Assets	10	1,476.94	1,677.64
Total Non-current Assets		**41,821.49**	**38,234.14**
Current Assets			
Inventories	11	250.11	233.71
Financial Assets			
(i) Investments	12	296.35	174.79
(ii) Trade Receivables	13	1,070.84	1,013.54
(iii) Cash and Cash Equivalents	14	189.05	263.68
(iv) Bank Balances other than (iii) above	15	1,303.52	1,026.23
(v) Loans	16	7.81	24.43
(vi) Other Financial Assets	17	1,066.73	1,394.59
Other Current Assets	18	334.19	429.02
Total Current Assets		**4,518.60**	**4,559.99**
Total Assets before Regulatory Deferral Account		**46,340.09**	**42,794.13**
Regulatory Deferral Account - Asset	57	1,124.02	439.45
Total Assets		**47,464.11**	**43,233.58**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	1,099.81	1,099.81
Unsecured Perpetual Equity Instrument	20	3,055.65	2,829.70
Other Equity	21	5,757.36	4,989.77
Total Equity attributable to Equity Owners of the Company		**9,912.82**	**8,919.28**
Non-Controlling Interest		1,093.68	1,103.58
Total Equity		**11,006.50**	**10,022.86**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	22	27,774.04	23,808.81
(ia) Lease Liability Obligation	23	66.12	88.91
(ii) Trade Payables	24		
(A) total outstanding dues of micro enterprises and small enterprises;		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		32.22	31.93
(iii) Other Financial Liabilities	25	334.81	538.68
Other Non-Current Liabilities	26	290.25	282.89
Provisions	27	617.47	584.52
Deferred Tax Liabilities (Net)	28	1,414.46	1,186.35
Total Non-current Liabilities		**30,529.37**	**26,522.09**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	29	2,040.54	3,152.17
(ia) Lease Liability Obligation	23	21.09	45.07
(ii) Trade Payables	30		
(A) total outstanding dues of micro enterprises and small enterprises;		26.37	29.69
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,581.54	1,211.32
(iii) Other Financial Liabilities	31	1,556.29	1,619.20
Other Current Liabilities	32	347.60	291.29
Provisions	27	70.91	61.85
Current Tax Liabilities (Net)	33	12.34	6.48
Total Current Liabilities		**5,656.68**	**6,417.07**
Total Liabilities before Regulatory Deferral Account		**36,186.05**	**32,939.16**
Regulatory Deferral Account-Liabilities	57	271.56	271.56
Total Equity and Liabilities		**47,464.11**	**43,233.58**
Summary of significant accounting policies	2		

See accompanying notes forming part of the consolidated financial statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

HARDIK SUTARIA
Partner

GAUTAM S. ADANI
Chairman
DIN: 00006273

RAJESH S. ADANI
Director
DIN: 00006322

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN: 00006867

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Date : 5th May, 2022

Date : 5th May, 2022

Consolidated Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in Crores)

Particulars	Notes	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Income			
Revenue from Operations			
(i) From Generation, Transmission and Distribution Business	34	10,435.61	9,169.70
(ii) From Trading Business	35	821.91	756.63
Other Income	36	603.95	532.60
Total Income		**11,861.47**	**10,458.93**
Expenses			
Cost of Power Purchased		2,778.88	1,914.51
Cost of Fuel		1,065.99	972.56
Purchases of Stock-in-Trade	37	821.23	755.89
Employee Benefits Expense	38	885.07	930.76
Finance Costs	39	2,364.95	2,116.99
Depreciation and Amortisation Expenses	5.5	1,427.15	1,328.88
Other Expenses	40	1,500.18	1,402.25
Total Expenses		**10,843.45**	**9,421.84**
Profit Before Rate Regulated Activities, Tax and Deferred Assets recoverable/ adjustable for the year		**1,018.02**	**1,037.09**
Net movement in Regulatory Deferral Account Balances - Income/(Expenses)		682.47	582.81
Profit Before Tax and Deferred Assets recoverable/adjustable for the year		**1,700.49**	**1,619.90**
Tax Expense:	41		
Current Tax		244.23	187.01
Deferred Tax		191.83	237.22
Total Tax expenses		**436.06**	**424.23**
Profit After Tax for the year but before Deferred Assets recoverable/adjustable		**1,264.43**	**1,195.67**
Deferred assets recoverable/adjustable		(28.68)	93.90
Profit After Tax for the year		**1,235.75**	**1,289.57**
Other Comprehensive Income/(Loss)			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans / (Loss)		16.37	34.24
- Tax relating to items that will not be reclassified to Profit or Loss		(2.89)	(6.03)
(b) Items that will be reclassified to profit or loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(262.79)	(192.32)
- Tax relating to items that will be reclassified to Profit or Loss		(2.44)	17.71
Total Other Comprehensive Income/ (Loss) for the year (Net of Tax)		**(251.75)**	**(146.40)**
Total Comprehensive Income for the year		**984.00**	**1,143.17**
Profit/ (Loss) for the year attributable to:			
Owners of the Company		1,204.61	1,224.04
Non-controlling interests		31.14	65.53
		1,235.75	**1,289.57**
Other Comprehensive Income / (Loss) for the year attributable to:			
Owners of the Company		(217.19)	(128.03)
Non-controlling interests		(34.56)	(18.37)
		(251.75)	**(146.40)**
Total Comprehensive Income/ (Loss) for the year attributable to:			
Owners of the Company		987.42	1,096.01
Non-controlling interests		(3.42)	47.16
		984.00	**1,143.17**
Earnings Per Equity Share (EPS) (in ₹)	42		
(Face Value ₹ 10 Per Share)			
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after Net movement in Regulatory Deferral Account Balances (₹)		8.90	9.02
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before Net movement in Regulatory Deferral Account Balances (₹)		5.06	5.75

See accompanying notes forming part of the consolidated financial statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Date : 5th May, 2022

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

RAJESH S. ADANI
Director
DIN: 00006322

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN: 00006867

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Date : 5th May, 2022

Statement of Consolidated Cash Flows for the year ended 31st March, 2022

(₹ in Crores)

Particulars		For the year ended 31st March, 2022	For the year ended 31st March, 2021
A.	**Cash flows from operating activities**		
	Profit before tax	1,700.49	1,619.90
	Adjustments for:		
	Depreciation and Amortisation Expenses	1,427.15	1,328.88
	Amortisation of Consumer Contribution	(11.05)	(9.22)
	Gain on Sale/Fair Value of Current Investments measured at FVTPL	(10.12)	(46.00)
	Finance Costs	2,364.95	2,116.99
	Interest Income	(508.99)	(466.95)
	Unclaimed liabilities / Excess provision written back	(0.80)	(2.11)
	Bad Debt Written Off	18.31	27.14
	Sundry creditors written back	(57.41)	-
	Loss on sale/discard of Property, Plant and Equipment	4.12	-
	Foreign Exchange Fluctuation Loss	1.00	-
	Operating profit before working capital changes	**4,927.65**	**4,568.63**
	Changes in Working Capital:		
	(Increase) / Decrease in Operating Assets :		
	Employee Loans, Other Financial Assets and Other Assets	(331.67)	(298.27)
	Inventories	(15.85)	312.86
	Trade Receivables	(105.44)	(39.16)
	Regulatory Deferral Account - Assets	(682.47)	(191.72)
	Increase / (Decrease) in Operating Liabilities :		
	Trade Payables	433.45	(402.30)
	Regulatory Deferral Account - Liabilities	-	(232.77)
	Other Financial Liabilities, Other Liabilities and Provisions	137.80	319.59
	Cash generated from operations	**4,363.47**	**4,036.86**
	Taxes paid (Net)	(266.86)	(252.53)
	Net cash generated from operating activities (A)	**4,096.61**	**3,784.33**
B.	**Cash flows from investing activities**		
	Purchase of Property, Plant and Equipment (including Capital Work-in-progress, other intangible assets, capital advances and capital creditors)	(4,190.86)	(3,952.32)
	Acquisition of Subsidiaries	(143.48)	(563.24)
	Proceeds/(Purchase) of Investments (Contingency Reserve)	(32.70)	(267.24)
	Proceeds/(Purchase) of current investment (net)	(89.45)	171.45
	(Deposits in) Bank deposits (net) (Including Margin money deposit)	48.64	(1,260.09)
	Advances Given	(607.22)	-
	Advances Received back	607.22	-
	Loans Given	(763.12)	(1,472.26)
	Loans received back	725.05	2,817.11
	Interest Received	497.89	501.30
	Net cash used in investing activities (B)	**(3,948.03)**	**(4,025.29)**

Statement of Consolidated Cash Flows for the year ended 31st March, 2022

(₹ in Crores)

	Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
C.	Cash flows from financing activities		
	Payment of lease liabilities (including Interest ₹ 11.20 crores (P.Y. ₹ 12.07 crores)	(31.26)	(35.19)
	Increase in Service Line Contribution	25.80	14.09
	Proceeds from Long-term borrowings	8,211.61	2,536.62
	Repayment of Long-term borrowings	(5,564.49)	(1,333.09)
	Proceeds/repayment from Short-term borrowings (Net)	(511.05)	730.93
	Distribution on Unsecured Perpetual Equity Instrument	(0.34)	(1.39)
	Repayment of Unsecured Perpetual Equity Instrument	-	(680.00)
	Finance Cost paid	(2,365.13)	(1,976.62)
	Net cash used in financing activities (C)	**(234.86)**	**(744.65)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(86.28)**	**(985.61)**
	Cash and cash equivalents at the beginning of the year	**263.68**	**1,232.99**
	Cash and cash equivalents acquired on acquisition of subsidiaries	11.65	16.30
	Cash and cash equivalents at the end of the year	**189.05**	**263.68**

(₹ in Crores)

Cash and Cash Equivalents includes (Refer note 14)	As at 31st March, 2022	As at 31st March, 2021
Balances with banks		
In current accounts	165.85	175.71
Fixed Deposits (with original maturity for three months or less)	13.28	60.60
Cheque / Draft on Hand	9.12	24.97
Cash on Hand	0.80	2.40
Total Cash and Cash Equivalents	**189.05**	**263.68**

Notes to Statement of Consolidated Cash Flows:

1 The Statement of Consolidated Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"

2 Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

(₹ in Crores)

Particulars	1st April, 2021	Cash Flows (net)	Unrealised Foreign Exchange Gain/(Loss)	Other	31st March, 2022
Long-term Borrowings (Including Current Maturities of Long Term Debt)#	24,994.51	2,647.12	764.49	(46.96)	28,359.16
Short term Borrowings	1,966.47	(511.05)	-	-	1,455.42
Unsecured perpetual Equity Instrument including Distribution (Net of Tax)*	2,829.71	(0.34)	-	226.28	3,055.65
TOTAL	**29,790.69**	**2,135.73**	**764.49**	**179.32**	**32,870.23**

Statement of Consolidated Cash Flows for the year ended 31st March, 2022

(₹ in Crores)

Particulars	1st April, 2020	Cash Flows (net)	Unrealised Foreign Exchange Gain/(Loss)	Other	31st March, 2021
Long-term Borrowings (Including Current Maturities of Long Term Debt)#	23,009.92	1,203.53	(709.46)	1,490.52	24,994.51
Short term Borrowings	1,235.81	730.93	-	(0.27)	1,966.47
Unsecured perpetual Equity Instrument including Distribution (Net of Tax)*	3,279.42	(681.39)	-	231.68	2,829.71
TOTAL	**27,525.15**	**1,253.07**	**(709.46)**	**1,721.94**	**29,790.69**

* Other Includes Distribution on perpetual Equity Instrument

Other Includes Balances taken over on acquisition of Subsidiaries and amortised cost of borrowings

See accompanying notes forming part of the consolidated financial statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

HARDIK SUTARIA
Partner

GAUTAM S. ADANI
Chairman
DIN: 00006273

RAJESH S. ADANI
Director
DIN: 00006322

ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN: 00006867

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Date : 5th May, 2022

Date : 5th May, 2022

Consolidated Statement of changes in equity for the year ended 31st March, 2022

A. Equity Share Capital

Particulars	No. of Shares	(₹ in Crores)
Balance as at 1st April, 2020	1,09,98,10,083	1,099.81
Issue of shares during the year	-	-
Balance as at 31st March, 2021	1,09,98,10,083	1,099.81
Issue of shares during the year	-	-
Balance as at 31st March, 2022	1,09,98,10,083	1,099.81

B. Unsecured Perpetual Equity Instrument

Particulars	(₹ in Crores)
Balance as at 1st April, 2020	**3,279.42**
i) Add: Availed during the year	-
ii) Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	230.28
iii) Less: Repaid during the year	(680.00)
Balance as at 31st March, 2021	**2,829.70**
i) Add: Availed during the year	-
ii) Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	225.95
iii) Less: Repaid during the year	-
Balance as at 31st March, 2022	**3,055.65**

C. Other Equity

(₹ in Crores)

Particulars	Attributable to owners of the Company									Non - controlling interest	Total Equity
	Reserves and Surplus							Item of other comprehensive income	Total Attributable to owners of the Company		
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	Self Insurance Reserve	Contingency Reserve	Effective portion of cashflow Hedge			
Balance as at 1st April, 2020	**208.87**	**1,220.60**	**577.81**	**1,891.88**	**13.44**	**-**	**240.54**	**(33.41)**	**4,119.73**	**1,062.13**	**5,181.86**
Profit for the year	-	-	1,224.04	-	-	-	-	-	1,224.04	65.53	1,289.57
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	21.31	-	-	-	-	(149.34)	(128.03)	(18.37)	(146.40)
(Less): Distribution on Unsecured perpetual Equity Instrument	-	-	(231.68)	-	-	-	-	-	(231.68)	-	(231.68)
Add: Transfer from Retained Earning on redemption of Optionally Convertible Redeemable Preference Shares	-	-	(544.65)	544.65	-	-	-	-	-	-	-
Add/ (Less): Transfer from Retained Earning to Contingency Reserve	-	-	(38.66)	-	-	-	44.37	-	5.71	(5.71)	-
Add /(Less): Appropriation to Self Insurance Reserve	-	(12.65)	-	-	-	12.65	-	-	-	-	-
Add / (Less): Transfer from Retained Earning to Debenture Redemption Reserve	-	-	1.16	-	(1.16)	-	-	-	-	-	-

Consolidated Statement of changes in equity for the year ended 31st March, 2022

(₹ in Crores)

Particulars	Attributable to owners of the Company									Non - controlling interest	Total Equity
	Reserves and Surplus							Item of other comprehensive income	Total Attributable to owners of the Company		
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	Self Insurance Reserve	Contingency Reserve	Effective portion of cashflow Hedge			
Balance as at 31st March, 2021	**208.87**	**1,207.95**	**1,009.33**	**2,436.53**	**12.28**	**12.65**	**284.91**	**(182.75)**	**4,989.77**	**1,103.58**	**6,093.35**
Profit/(Loss) for the year	-	-	1,204.61	-	-	-	-	-	1,204.61	31.14	1,235.75
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	9.92	-	-	-	-	(227.11)	(217.19)	(34.56)	(251.75)
(Less): Distribution on Unsecured perpetual Equity Instrument	-	-	(226.30)	-	-	-	-	-	(226.30)	-	(226.30)
Add/ (Less): Transfer from Retained Earning to Contingency Reserve	-	-	(43.51)	-	-	-	49.98	-	6.47	(6.47)	-
Add /(Less): Appropriation to Self Insurance Reserve	-	(6.00)	-	-	-	6.00	-	-	-	-	-
Add/(Less): Transfer from Retained Earning to Debenture Redemption Reserve	-	-	1.13	-	(1.13)	-	-	-	-	-	-
Balance as at 31st March, 2022	**208.87**	**1,201.95**	**1,955.18**	**2,436.53**	**11.15**	**18.65**	**334.89**	**(409.86)**	**5,757.36**	**1,093.68**	**6,851.04**

See accompanying notes forming part of the consolidated financial statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Date : 5th May, 2022

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

RAJESH S. ADANI
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ANIL SARDANA
Managing Director and
Chief Executive Officer
DIN: 00006867

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Date : 5th May, 2022

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

1 Corporate information

Adani Transmission Limited ("The Company") is a public limited company incorporated and domiciled in India. It's ultimate holding entity is S. B. Adani Family Trust (SBAFT), having its registered office at 'Adani Corporate House', Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India. The Company and its subsidiaries (together referred to as "the Group") is incorporated to carry on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems and to peruse acquisition of available opportunity in power transmission systems/ networks. The Group develops, owns and operates transmission lines across the States of Gujarat, Rajasthan, Bihar, Jharkhand, Uttar Pradesh, Maharashtra, Haryana, Chhattisgarh, Madhya Pradesh, West Bengal, Andhra Pradesh, Telangana and Tamil Nadu . The Group has entered in Generation and Distribution business in Mumbai through acquisition of Integrated Mumbai Power Business i.e. Business of Generation, Transmission and Distribution (GTD) and provide facility of distribution of electricity, effluent & sewage in Mundra SEZ area, Kutch, Gujarat. The Group has entered in to new business opportunities through OPGW fibres on transmission lines with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators .The commercialization of the network shall be done through leasing out spare capacities to potential communication players.

2 Significant accounting policies

2.1 Statement of Compliance

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (IndAS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 ("the Act") (as amended from time to time).

2.2 Basis of Preparation

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The Function currency of the group is Indian Rupee (₹). The Consolidated financial statements are presented in ₹ and all values are rounded to the nearest Crores (Transactions below ₹ 50,000.00 denoted as ₹ 0.00), unless otherwise indicated.

2.3 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and subsidiaries as at March 31, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders:
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

The list of Companies included in consolidation, relationship with Adani Transmission Limited and it's shareholding therein is as under: The reporting date for all the entities is 31st March, 2022

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31st March 2022	Shareholding as on 31st March 2021
1	Adani Transmission (India) Limited (ATIL)	India	Subsidiary	100%	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL)	India	Subsidiary	100%	100%
3	Sipat Transmission Limited (STL)	India	Subsidiary	100%	100%
4	Raipur-Rajnandgaon-Warora Transmission Limited (RRWTL)	India	Subsidiary	100%	100%
5	Chhattisgarh-WR Transmission Limited (CWRTL)	India	Subsidiary	100%	100%
6	Adani Transmission (Rajasthan) Limited (ATRL)	India	Subsidiary	100%[1]	100%[1]
7	North Karanpura Transco Limited (NKTL)	India	Subsidiary	100%	100%
8	Maru Transmission Service Company Limited (MTSCL)	India	Subsidiary	100%	100%
9	Aravali Transmission Service Company Limited (ATSCL)	India	Subsidiary	100%	100%
10	Hadoti Power Transmission Service Limited (HPTSL)	India	Subsidiary	100%	100%
11	Barmer Power Transmission Service Limited (BPTSL)	India	Subsidiary	100%	100%
12	Thar Power Transmission Service Limited (TPTSL)	India	Subsidiary	100%	100%
13	Western Transco Power Limited (WTPL)	India	Subsidiary	100%	100%
14	Western Transmission (Gujarat) Limited (WTGL)	India	Subsidiary	100%	100%
15	Fatehgarh-Bhadla Transmission Limited (FBTL)	India	Subsidiary	100%	100%
16	Ghatampur Transmission Limited (GTL)	India	Subsidiary	100%	100%
17	Adani Electricity Mumbai Limited (AEML)	India	Subsidiary	74.90%	74.90%
18	AEML Infrastructure Limited (AEML Infra)	India	Subsidiary	100%	100%
19	OBRA-C Badaun Transmission Limited (OBTL)	India	Subsidiary	100%	100%
20	Adani Transmission Bikaner Sikar Private Limited	India	Subsidiary	100%[2]	100%[2]
21	WRSS XXI (A) Transco Limited (WRSS XXI (A))	India	Subsidiary	100%	100%
22	Bikaner Khetri Transco Limited (BKTL)	India	Subsidiary	100%	100%
23	Lakadia Banaskantha Transco Limited (LBTL)	India	Subsidiary	100%	100%
24	Jamkhambhaliya Transco Limited (JKTL)	India	Subsidiary	100%	100%
25	Arasan Infra Private Limited (AIPL)	India	Subsidiary	100%	100%
26	Sunrays Infra Space Private Limited (SISPL)	India	Subsidiary	100%	100%
27	Power Distribution Services Limited	India	Subsidiary	74.90%	74.90%

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31st March 2022	Shareholding as on 31st March 2021
28	Adani Electricity Mumbai Infra Limited (100% subsidiary of AEML) (AEMIL)	India	Subsidiary	74.90%	74.90%
29	Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited) (KVTL)	India	Subsidiary	100%	100%
30	Alipurduar Transmission Limited (ALTL)	India	Subsidiary	100%[3]	100%[3]
31	AEML Seepz Limited (100% subsidiary of AEML)(ASL)	India	Subsidiary	74.90%	74.90%
32	Adani Transmission Step One Limited (ATSOL)	India	Subsidiary	100%	100%
33	Warora Kurnool Transmission Limited (WKTL)	India	Subsidiary	100%	100%
34	ATL HVDC Limited	India	Subsidiary	100%	N.A.
35	MP Power Transmission Package-II Limited	India	Subsidiary	100%	N.A.
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)	India	Subsidiary	100%[4]	N.A[4]
37	Karur Transmission Limited	India	Subsidiary	100%	N.A.
38	Khavda-Bhuj Transmission Limited	India	Subsidiary	100%	N.A.

1. Adani Transmission (Rajasthan) Limited (ATRL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATRL (the "Golden Share") in favour of the RRVPNL.

2. Adani Transmission Bikaner Sikar Private Limited (ATBSPL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATBSPL (the "Golden Share") in favour of the RRVPNL.

3. During the year 2020-21, Group acquired 49% of paid-up equity capital of Alipurduar Transmission Limited (ALTL) with effect from 26th November, 2020 from Kalpataru Power Transmission Limited ("the Selling Shareholder") pursuant to Share Purchase Agreement ("SPA") date 5th July, 2020. Adani Transmission Limited has finalised purchase consideration for acquisition of entire stake in ALTL and has entered into a binding agreement with the Selling Shareholder to acquire remaining 51% paid-up equity capital of ALTL from the Selling Shareholder. Considering the rights available to the Group under the SPA, the Group has concluded that it controls ALTL, accordingly the Group has consolidated ALTL, for the year ended 31st March, 2022. Further the revenue and corresponding expenses of ALTL included in the consolidated financial results is from 26th November, 2020 to 31st March, 2021 (For P.Y 2020-21).

4. Consequent to Share Purchase Agreement dated 15th December, 2021 entered into between ATL and Adani Ports and Special Economic Zone Limited (APSEZ), Group has during the year acquired 100% stake in MPSEZ Utilities Limited ("MUL").

   The Group has made acquisition of MUL from Adani Ports and Special Economic Zone Limited which has been described in Note 62. The Management of the Company assessed whether or not this acquisition is "Common Control Business Combination" (as defined in Appendix C of Ind-AS 103). In making this judgement, the Management considered the absolute size of holding of S.B. Adani Family Trust ("SBAFT") in both the companies, the relative size of and dispersion of the shareholding owned by other shareholders, availability of information relating to contractual arrangements between SBAFT and other shareholders which could give SBAFT sufficient power to make decisions about the relevant activities of the Company. After a careful evaluation of the available information, the Management concluded that the acquisition does not meet the definition of Common Control Business Combination. Accordingly, the acquisition has been accounted for by applying the "acquisition method" as enunciated in Ind-AS 103

2.4 Summary of significant accounting policies

(a) Property, plant and equipment

Land and building held for use in the production or for administrative purposes are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.

Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset. Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

Fixtures equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

i) Depreciation on property, plant and equipment in respect of Mumbai Generation, Transmission and Distribution business except (ii) and (iii) of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates using the methodology as notified by the regulator.

For certain types of assets in respect of which useful life is not specified in MERC Multi Year Tariff Regulations ("MYT regulations"), useful life as prescribed under Schedule-II of Companies Act, 2013 is considered.

ii) In respect of assets (other than Dahanu Thermal Power Station-DTPS) which have been accounted at fair value, considering life as specified in MYT regulations, depreciation is provided on Straight Line Method (considering a salvage value of 5%) over their balance useful life. In respect of DTPS based on technical evaluation, the balance useful life has been determined as 15 years as on 01 April, 2018.

iii) In respect of assets other than (i) & (ii) above, Salvage value in respect of assets which have not been accounted at fair value has been considered at 10% except in respect of Furniture & Fixture, Vehicles, Office Equipment and Electrical Installations which has been considered at 5% and Computers & Software at Nil (Consequent to amendment in tariff regulations, the Company has changed the Salvage value of Computers from 5 % to Nil w.e.f. 01 April 2020).

Decapitalisation

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Estimated useful lives of assets are as follows:-

Type of Assets	Useful lives
Building	3-60 Years
Plant and Equipment (Except Meters & Batteries)*	3-35 Years
Plant and Equipment - Meters*	10 Years
Plant and Equipment - Batteries*	5 Years
Furniture and Fixtures	10-15 Years
Street Light	25 Years
Office Equipment	5-15 Years

Type of Assets	Useful lives
Computer Equipment	3-6 Years
Vehicles	8-10 Years
Distribution Line / Transmission Cable	35 Years
Plant and Equipment, Building at DTPS	15 Years

*Consequent to amendment in tariff regulations, w.e.f. 01 April, 2020 AEML has changed the useful life (years) in respect of meters (from 25 to 10), batteries (from 25 to 5), Computers (from 3 to 6) and Substations put to use post 01 April, 2016 (Plant & Equipment) (from 25 to 35) for Financial year 2020-21.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Service line contribution received from consumers towards unconnected lines are recognised under other current financial liabilities till such lines are fully commissioned. When the lines are fully commissioned and capitalised in books, such contribution received is recognised in carrying value of such lines from the block of property, plant and equipment. MUL present the service lines contribution as deferred revenue under the head of non-current liabilities. Further, hitherto, the company presented depreciation charge on such assets as net of amortisation on such contribution being capitalised, the depreciation is presented on gross value and amortisation of such line is being presented as other operating income.

(b) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

In respect of Intangible Asset ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business during the year with effect from 29th August, 2018, the group has accounted for such Assets at their respective fair values based on the valuation done by professional valuation firm. Subsequent additions to the assets after 29th August, 2018 are accounted for at cost.

In respect of Intangible Asset ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business acquired from Reliance Infrastructure Limited under a Court sanctioned scheme of arrangement with an appointed date of 1 April, 2018, in line with the requirements of the Court Scheme, the Company has accounted for such Assets at their respective fair values as at April 01, 2018 based on valuation done by professional valuation firm.

Derecognition of Intangible assets.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in statement of profit and loss when the asset is derecognised.

Useful life

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible Assets with Indefinite lives are not amortised but are tested for impairment on annual basis.

Estimated useful lives of the intangible assets are as follows:

Type of Assets	Useful lives
Transmission and distribution License	Indefinite
Computer Software	3-5 years

(c) Intangible Assets Under Development - Software

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

(d) Impairment of PPE and intangible assets other then Goodwill

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Intangible assets having indefinite useful lives are tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash generating unit ("CGU") level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro-rata basis.

Impairment losses are reversed in the statement of profit and loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU in previous years.

(e) Current versus Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or

- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(f) Cash & Cash Equivalents

Cash & cash equivalents comprises cash on hand, cash at bank and short term deposit with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash & cash equivalents include balance with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash & cash equivalents consists of cash at banks and short term deposits as defined above, as they are considered an integral part of the Group's cash management.

(g) Statement of Cash Flows

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group's entity are recognised at the proceeds received, net of direct issue costs.

(A) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

i) Classification of financial assets

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Group makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

c) Financial assets at fair value through profit & loss (FVTPL)

All financial assets that do not meet the criteria for amortised cost are measured at FVTPL.

ii) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL). Interest income is recognised in profit or loss and is included in the "Other income" line item.

iii) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- the right to receive cash flows from the asset have expired, or
- the Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

iv) Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument. The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on financial instruments has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that will results if default occurs within the 12 months after the reporting date and this, are not cash shortfalls that are predicted over the next 12 months. If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses. When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable recognition and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are expedient as permitted under Ind AS 109, this expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

v) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss.

vi) Impairment of investments

The Group reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted in the statement of profit and loss.

(B) Financial liabilities and equity instruments

i) Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

iv) Financial liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability may be designated as at FVTPL upon initial recognition if:

such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

the financial liability whose performance is evaluated on a fair value basis, in accordance with the Group's documented risk management;

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

v) Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

vi) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL or amortisation cost, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Statement of Profit and Loss.

vii) Derecognition of Financial Liability

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

(C) Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations.

Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(D) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(i) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

In order to hedge its exposure to foreign exchange and interest rate risks, the Group enters into forward contracts, Principle only Swaps (POS) and other derivative financial instruments. The Group does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument

- the effect of credit risk does not dominate the value changes that result from that economic relationship

- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting.

The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in statement of profit and loss.

Hedge accounting is discontinued when the Group revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

(k) (i) Business combinations and Goodwill

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in statement of profit and loss as incurred. The acquiree' s identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

If the initial accounting for a business combination is incomplete as at the reporting date in which the combination occurs, the identifiable assets and liabilities acquired in a business combination are measured at their provisional fair values at the date of acquisition. Subsequently adjustments to the provisional values are made within the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date; otherwise the adjustments are recorded in the period in which they occur.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(ii) Acquisition of Transmission SPVs classified as asset acquisitions

The Group acquires transmission SPVs' from third parties. The Purchase consideration primarily pertains to the fair value of the transmission assets. Transmission SPV's are with fixed tariff revenues under the Transmission Services Agreements (TSAs). The only key activity for these SPV's is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes are performed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

(l) Foreign currencies

The functional currency of the Group is Indian Rupee ₹.

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

(i) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and

(ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note 49)

(m) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

(i) In the principal market for the asset or liability; or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(i) **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

(ii) **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

(iii) **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Group's accounting policies. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(n) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

i) Income from Transmission of Power:

- Revenue are recognised immediately when the service is provided. The Group collects the tax on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence they are excluded from revenue.
- Transmission income is accounted for based on tariff orders notified by respective regulatory authorities.
- The transmission system incentive / disincentive is accounted for based on certification of availability by respective Regional Power Committee.
- **Service concession arrangements (SCA) :**

With respect to SCA, revenue and costs are allocated between those relating to construction services and those relating to operation and maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the SCA. When the amount of consideration under the arrangement for the provision of public services is substantially fixed by a contract, the Group recognizes the consideration for construction services at its fair value as a financial asset and is classified as "financial asset under service concession arrangements". When the demand risk is with Group, then, to the extent that the Group has a right to charge the user of infrastructure facility, the Group recognizes the consideration for construction services at its fair value, as an intangible asset. The Group accounts for such intangible asset in accordance with the provisions of Ind AS 38. When the amount of consideration under the arrangement comprises -

- fixed charges based on Annual Capacity and

- variable charges based on Actual utilisation of capacity

then, the Group recognizes the consideration for construction services at its fair value, as the "financial asset under service concession arrangement" to the extent present value of fixed payment to be received discounted at incremental borrowing rate and the residual portion is recognized as an intangible asset.

(a) Infrastructure is under project phase, the treatment of income is as follows:

Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

(b) Infrastructure is in operation, the treatment of income is as follows:

Finance income over financial asset after consideration of fixed transmission charges is recognized using effective interest method. Variable transmission charges revenue is recognized in the period when the service is provided. Revenues relating to construction contracts which are entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised based on the fair value of construction work performed at the reporting date.

(ii) Sale of Power - Distribution Business

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre determined rate.

(iii) Rendering of Services

Revenue from a contract to provide services is recognized over time based on output method where direct measurements of value to the customer based on survey's of performance completed to date. Revenue is recognised net of cash discount at a point in time at the contracted rate.

(iv) Amortisation of Service Line Contribution

Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

(v) Sale of Goods:

Revenue from sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the amount of revenue can be measured reliably; and

- it is probable that the economic benefits associated with the transaction will flow to the Group.
- There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

(vi) Interest on Overdue Receivables / Delay Payment Charges

(i) Transmission business- Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.

(ii) Distribution Business - Consumers are billed on a monthly basis and are given average credit period of 15 to 30 days for payment. No delayed payment charges ('DPC') / interest on arrears ('IOA') is charged for the initial 15-30 days from the date of invoice to customers. Thereafter, DPC / IOA is charged at the rate prescribed in the tariff order on the outstanding amount.

(o) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Substantial time is defined as time required for commissioning of the assets considering industry benchmarks/MERC tariff regulations.

(p) Employee benefits

i) Defined benefit plans:

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Group accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- Net interest expense or income.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment.

ii) Defined contribution plan:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

iii) Compensated Absences:

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

iv) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

(q) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

(r) Taxation

Tax on Income comprises current tax and deferred tax. These are recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i) Current tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions where appropriate.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction other than a business combination that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Deferred tax assets are recognised for unused tax losses (excluding unabsorbed depreciation) to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Regulators tariff norms provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective tax rate for the financial year shall be based on the actual tax paid during the year on the transmission income from certain subsidiaries . Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries and known as "deferred assets recoverable / adjustable". The same will be recovered when the related deferred tax liability forms a part of current tax.

(s) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

(t) Provisions, Contingent Liabilities and Contingent Assets.

i) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to statement of profit and loss. An onerous contract is considered to exist where the

Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract

ii) Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

iii) Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

(u) Regulatory Deferral Account

The Group determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

The Group presents separate line items in the balance sheet for:

i. the total of all regulatory deferral account debit balances; and

ii. the total of all regulatory deferral account credit balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account. Regulatory assets/ liabilities on deferred tax expense/income is presented separately in the tax expense line item

(v) Dividend distribution to equity shareholders

The Group recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

3 Significant accounting judgements, estimates and assumptions

Critical accounting judgements and key sources of estimation uncertainty

The application of the group accounting policies as described in Note 2, in the preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Property, plant and equipment:(PPE)

i) Service concession arrangements[1]

The Group has assessed applicability of Appendix C of Ind AS - 115 "Service Concession Arrangements" with respect to its transmission assets portfolio. In assessing the applicability, the Group have exercised judgement in relation to the provisions of the Electricity Act, 2003, transmission license and / or agreements etc.

ii) Depreciation rates, depreciation method and residual value of property, plant and equipment[1]

Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

i) Depreciation in respect of assets related to electricity transmission business covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates using the methodology as notified by the respective regulators.

ii) In respect of other, depreciation on fixed assets is calculated on straight-line method (SLM) basis using the rates arrived on the basis on useful life as specified in Schedule II of the Companies Act, 2013.The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

iii) Impairment of property plant and equipment[2]

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

3.2 Taxation:

Deferred tax assets[2]

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Regulators tariff norms provide the recovery of Income Tax from the beneficiaries by way of grossing up the return on equity based on effective tax rate for the financial year shall be based on the actual tax paid during the year on the transmission income. Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries and known as "deferred assets recoverable / adjustable". The same will be recovered when the related deferred tax liability forms a part of current tax.

3.3 Fair value of Assets and liabilities acquired on business combination and Assets Acquisition are considered at fair value[2]. (Refer note 62)

3.4 Impairment of Goodwill and other intangible assets with indefinite life[2]

Goodwill and other intangible assets with indefinite life are tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments. (Refer Note 2.4 (k)) & (Refer note 58)

3.5 Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claim against the Group[2] (Refer note 43)

3.6 Fair value measurement of financial instruments[2]

In estimating the fair value of financial assets and financial liabilities, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 46.

3.7 Employee benefit plans:

Defined benefit plans and other long-term employee benefits[2]

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 55.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

3.8 Assessment of lease classification in respect of long term power purchase agreement.[1]

The Group had a 25 year long term Power Purchase Agreement (PPA) with Vidharbha Industries Power Limited (VIPL), wherein the Group has committed to purchase the entire output generated from VIPL's generating station located at Butibori. In terms of the PPA, the Group subject to a minimum guaranteed plant availability (determined on a yearly basis) is liable to pay subject to MERC approval a fixed monthly capacity charge and a variable charge towards the cost of fuel. VIPL was obligated to make the plant available for generation for a minimum period of time (determined on a yearly basis) and the option as regards the timing of availability was at the discretion of VIPL.

The Group on assessment of the above arrangement has concluded, that considering the Group does not have the right to direct the use of the asset , the above arrangement does not qualify to be lease under IND AS 116.

During the previous year the Company had terminated the above PPA due to non-performance of obligations under the PPA by VIPL, such termination has been upheld by MERC / Appellate Tribunal of Electricity ("ATE").

3.9 Acquisition of Transmission SPV's classified as Assets acquisitions[1]

The Group acquires transmission SPVs' from third parties. The Purchase consideration primarily pertains to the fair value of the transmission assets. Transmission SPV's are with fixed tariff revenues under the Transmission Services Agreements (TSAs) for 35 years. The only key activity for these SPV's is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes are performed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under IND AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standard applicable in other justifications, the management has classified the acquisition of Transmission SPV's as assets acquisition. (Refer Note 62)

[1] **Critical accounting judgments**

[2] **Key sources of estimation uncertainties**

4 Standards issued but not effective /Impact of new and amended Ind As

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. In the current year, the below amendments to Ind ASs were effective for an annual period that begins on or after 1 April 2022 and the impact of the amendments on the financial statements is as under :

Impact of the initial application of new and amended Ind ASs that are effective for the current year

In the current year, the below amendments to Ind ASs were effective for an annual period that begins on or after 1 April, 2022 and the impact of the amendments on the financial statements is as under :

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

5. Property, Plant and Equipment, Intangible Assets and Capital Work in Progress

5.1 Property, Plant and Equipment

(₹ in Crores)

Description of Assets	Tangible Assets												Intangible Assets		
	Land (Free hold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Railway Slidings	Distribution System	Jetties	Electrical Installation	Total	Computer Software	Transmission and distribution License	Total
I. Gross Carrying Amount															
Balance as at 1st April, 2020	**2,735.71**	**984.46**	**17,891.75**	**21.48**	**14.79**	**69.06**	**25.95**	**6.70**	**5,046.17**	**1.23**	**22.36**	**26,819.66**	**22.41**	**981.62**	**1,004.03**
Additions	18.84	39.51	1,279.17	1.73	9.03	34.93	15.26	-	633.38	0.05	4.93	2,036.83	21.65	-	21.65
Disposals	-	-	(5.59)	-	(0.07)	(0.00)	(1.58)	-	-	-	(0.07)	(7.31)	-	-	-
Acquisitions of subsidiaries	9.20	4.24	1,309.16	0.01	0.05	-	-	-	-	-	-	1,322.66	-	-	-
Balance as at 31st March, 2021	**2,763.75**	**1,028.21**	**20,474.49**	**23.22**	**23.80**	**103.99**	**39.63**	**6.70**	**5,679.55**	**1.28**	**27.22**	**30,171.84**	**44.06**	**981.62**	**1,025.68**
Additions	96.83	85.75	3,104.72	1.16	8.37	80.03	6.86	-	634.41	0.08	17.75	4,035.96	52.14	-	52.14
Disposals	(0.01)	(0.09)	(27.11)	(0.14)	(0.43)	(0.73)	(0.72)	-	-	-	(0.38)	(29.61)	-	-	-
Acquisitions of subsidiaries (Refer Note 62)	-	5.05	138.21	0.02	0.02	0.13	0.02	-	-	-	-	143.45	0.01	51.34	51.35
Balance as at 31st March, 2022	**2,860.57**	**1,118.92**	**23,690.31**	**24.26**	**31.76**	**183.42**	**45.79**	**6.70**	**6,313.96**	**1.36**	**44.59**	**34,321.64**	**96.21**	**1,032.96**	**1,129.17**
II. Accumulated depreciation															
Balance as at 1st April, 2020	**-**	**66.74**	**3,322.15**	**6.06**	**5.78**	**20.71**	**3.95**	**0.67**	**288.23**	**0.12**	**5.55**	**3,719.96**	**9.16**	**-**	**9.16**
Depreciation and Amortisation Expense	-	36.60	1,007.40	2.77	2.83	11.20	3.71	0.41	222.37	0.08	3.09	1,290.46	7.21	-	7.21
Eliminated on disposal of assets	-	-	(4.09)	-	(0.03)	-	(0.65)	-	-	-	(0.07)	(4.84)	-	-	-
Balance as at 31st March, 2021	**-**	**103.34**	**4,325.46**	**8.83**	**8.58**	**31.91**	**7.01**	**1.08**	**510.60**	**0.20**	**8.57**	**5,005.58**	**16.37**	**-**	**16.37**
Depreciation and Amortisation Expense	-	39.79	1,049.27	2.44	3.68	17.51	5.20	0.41	258.29	0.08	3.18	1,379.85	17.34	-	17.34
Eliminated on disposal of assets	-	(0.02)	(15.46)	(0.14)	(0.39)	(0.72)	(0.35)	-	-	-	(0.30)	(17.38)	-	-	-
Acquisitions of subsidiaries (Refer Note 62)	-	1.02	47.49	0.01	0.00	0.04	0.01	-	-	-	-	48.57	0.00	-	0.00
Balance as at 31st March, 2022	**-**	**144.13**	**5,406.76**	**11.14**	**11.87**	**48.74**	**11.87**	**1.49**	**768.89**	**0.28**	**11.45**	**6,416.62**	**33.71**	**-**	**33.71**

(₹ in Crores)

Description of Assets	Tangible Assets												Intangible Assets		
	Land (Free hold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Railway Slidings	Distribution System	Jetties	Electrical Installation	Total	Computer Software	Transmission and distribution License	Total
Net Carrying Value :															
As at 31st March, 2021	2,763.75	924.87	16,149.03	14.39	15.22	72.08	32.62	5.62	5,168.95	1.08	18.65	25,166.26	27.69	981.62	1,009.31
As at 31st March, 2022	2,860.57	974.79	18,283.55	13.12	19.89	134.68	33.92	5.21	5,545.07	1.08	33.14	27,905.02	62.50	1,032.96	1,095.46

Notes:

(i) The above Intangible Assets are other than internally generated Intangible Assets.

(ii) Transmission License was acquired as a part of the business acquisition. The license is valid for 25 years from 16th August, 2011 to 15th August, 2036. The license may be further extended at minimal cost, considering similar extensions have happened in the past. Based on an analysis of all of the relevant factors, the license is considered by the company as having an indefinite useful life, as there is no foreseeable limit to the period over which the transmission business related assets are expected to generate net cash inflows for the company.

(iii) In respect of AEML, the title deeds in respect of land and certain residential properties are either in the erstwhile names of the Company viz: "Bombay Suburban Electric Supply Limited" / "Reliance Energy Limited" / "Reliance Infrastructure Limited". AEML is in process of updating the same from erstwhile Company's name to the name of the Company. Details of Immovable Properties for which title deeds are not in the name of Company are given below:

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

(iv) Consequent to amendment in tariff regulations, w.e.f. 01 April, 2020, Group has changed the useful life in respect of batteries and meters and accordingly depreciation for year ended 31 March, 2021 is higher by ₹ 81.19 crores.

Further in line with the tariff regulations, w.e.f. 01 April, 2020, the Group has changed the useful life in respect to certain Plant & Machinery and IT Equipment, accordingly depreciation for the year ended 31 March, 2021 is lower by ₹ 13.40 crores.

For charge created on aforesaid assets, refer note 22.

Details of Properties for which title deeds are not in the name of Group are given below:

Relevant Line Item in Balance sheet	Description of Property	Gross carrying value (₹ in Crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipment	Land (Free hold)	25.41	Adani Power Limited	No	1st April , 2014	ATIL subsidiary of ATL being demerged from erstwhile company related to transmission business. Post demerger, the Company is in process of transferring the same in the name of the Company.
Right-of-Use Assets	Leasehold Land	8.78	Adani Power Limited	No	1st April , 2014	
Property, Plant and Equipment	Land (Free hold)	71.70	Godrej & Boyce Mfg. Co. Ltd	No	7th July , 2020	Erstwhile land of KVTL, subsidiary of ATL is registered in the name of Godrej & Boyce Mfg. Co. Ltd, post acquisition KVTL is in process of transferring the same in the name of the KVTL.
Property, Plant and Equipment	Land (Free hold)	24.68	Godrej & Boyce Mfg. Co. Ltd	No	7th July , 2020	
Property, Plant and Equipment	Land (Free hold)	2,477.47	BSES / Reliance Energy / Reliance Infrastructure Limited	No	28th August , 2018	The title deeds in respect of land and certain residential properties are either in the erstwhile names of the AEML viz: "Bombay Suburban Electric Supply Limited" / "Reliance Energy Limited" / "Reliance Infrastructure Limited". The AEML is in process of updating the same from erstwhile Company's name to the name of the AEML.
Property, Plant and Equipment	Building - Residential / Others	584.58	BSES / Reliance Energy / Reliance Infrastructure Limited	No	28th August , 2018	
Property, Plant and Equipment	Leasehold Land	7.88	BSES / Reliance Energy / Reliance Infrastructure Limited	No	28th August , 2018	

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

5.2 Capital Work-In-Progress

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Capital-work-in progress ageing schedule:					
As at 31st March, 2022					
- Projects in progress	4,165.15	777.83	63.11	51.89	**5,057.98**
- Projects temporarily suspended	0.22	0.87	0.95	0.14	**2.18**
Total	**4,165.37**	**778.70**	**64.06**	**52.03**	**5,060.16**
As at 31st March, 2021					
- Projects in progress	4,643.61	505.68	42.85	46.71	**5,238.85**
- Projects temporarily suspended	0.21	0.51	0.07	0.09	**0.88**
Total	**4,643.82**	**506.19**	**42.92**	**46.80**	**5,239.73**

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Capital-work-in progress ageing schedule:					
As at 31st March, 2022					
- Projects in progress					
220kV 120MVAR Reactor at AEML Gorai	0.19	-	-	-	**0.19**
- Projects temporarily suspended					
Low Tension network projects	0.17	-	-	-	**0.17**
Total	**0.36**	**-**	**-**	**-**	**0.36**
As at 31st March, 2021					
- Projects in progress					
Low Tension network projects	0.15	-	-	-	**0.15**
- Projects temporarily suspended					
Low Tension network projects	0.25	-	-	-	**0.25**
Total	**0.40**	**-**	**-**	**-**	**0.40**

Cost Overruns upto +/- 10 % are envisaged by the management's original plan, and hence not considered in above table.

Capital-work-in progress, whose completion is overdue compared to its original plan: (₹ in Crores)

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
As at 31st March, 2022					
- Projects in progress					
Main Plant DPR Jobs	0.23	-	-	-	**0.23**
Main Plant Non DPR Jobs	0.01	-	-	-	**0.01**
11KV Substation Jobs	0.06	-	-	-	**0.06**
Receiving Station Jobs	0.82	-	-	-	**0.82**
Low Tension Network Jobs	0.02	-	-	-	**0.02**
Others Non DPR Jobs	0.06	-	-	-	**0.06**
Projects temporarily suspended					
Receiving Station Jobs	0.05	-	-	-	**0.05**
Total	**1.25**	**-**	**-**	**-**	**1.25**

Capital-work-in progress, whose completion is overdue compared to its original plan: (₹ in Crores)

Particulars	To be completed in				
	<1 year	1-2 years	2-3 years	> 3 years	Total
As at 31st March, 2021					
- Projects in progress					
Main Plant DPR Jobs	0.68	-	-	-	**0.68**
- Projects temporarily suspended	-	-	-	-	**-**
Total	**0.68**	**-**	**-**	**-**	**0.68**

Time Overruns due to delay in statutory approvals and right of way issues, and approved by the management's revised plan are not considered in above table.

5.3 Intangible Assets Under Development

(₹ in Crores)

Particulars	Amount in intangible assets under development for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Intangible assets under development					
As at 31st March, 2022					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
As at 31st March, 2021					
- Projects in progress	12.76	2.65	-	-	**15.41**
- Projects temporarily suspended	-	-	-	-	-
Total	**12.76**	**2.65**	**-**	**-**	**15.41**

5.4 Right of Use Assets

(₹ in Crores)

Description of Assets	Leasehold Land	Building	Right of Way	Computer Equipment	Total
I. Gross Carrying Amount					
Balance as at 1st April, 2020	**100.16**	**129.92**	**40.16**	**-**	**270.24**
Additions	0.78	14.22	-	1.55	16.55
Disposals	-	(4.78)	-	-	(4.78)
Acquisitions of subsidiaries	-	0.05	-	-	0.05
Balance as at 31st March, 2021	**100.94**	**139.41**	**40.16**	**1.55**	**282.06**
Additions	510.43	0.05	-	-	510.48
Disposals	(0.42)	(36.57)	-	-	(36.99)
Acquisitions of subsidiaries	-	12.96	-	-	12.96
Balance as at 31st March, 2022	**610.95**	**115.85**	**40.16**	**1.55**	**768.51**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

5.4 Right of Use Assets (₹ in Crores)

Description of Assets	Leasehold Land	Building	Right of Way	Computer Equipment	Total
II. Accumulated depreciation					
Balance as at 1st April, 2020	**6.93**	**23.97**	**1.80**	**-**	**32.70**
Amortisation Expense	5.87	23.16	1.81	0.37	31.21
Balance as at 31st March, 2021	**12.80**	**47.13**	**3.61**	**0.37**	**63.91**
Amortisation Expense	9.14	20.05	3.02	0.30	32.51
Eliminated on disposal of assets	(0.05)	(3.94)	-	-	(3.99)
Acquisitions of subsidiaries	-	3.08	-	-	3.08
Balance as at 31st March, 2022	**21.89**	**66.32**	**6.63**	**0.67**	**95.51**
Net Carrying Value :					
As at 31st March, 2021	**88.14**	**92.28**	**36.55**	**1.18**	**218.15**
As at 31st March, 2022	**589.06**	**49.53**	**33.53**	**0.88**	**673.00**

Notes:

(i) The title deeds in respect of certain lease hold land properties are in the erstwhile names of the Company viz: "Bombay Suburban Electric Supply Limited" / "Reliance Energy Limited" / "Reliance Infrastructure Limited" . The Company is in process of Changing the name of the Company.

Further leasehold land amounting to ₹ 510.00 Crs included in the right of use assets, the Company has memorandum of understanding in name of the Company and the Company will enter into formal lease agreement on completion of the construction of the substation as per the requirement of the Slum Rehabilitation Authority. Further during the year, capital advance of ₹ 431.00 crores was given to M/s. Superheights Infraspace Private Limited (SIPL) (related party) towards acquiring leasehold rights of land parcel at BKC, Mumbai for construction of Extra High Voltage (EHV) Substation to meet the incremental load requirement. The same is capitalised on obtaining possesion of the said land.

(ii) The title deeds in respect of certain Land and Buildings are in the erstwhile names of the Company viz: "Adani Power Limited" from which the transmission business was demerged into ATIL under Section 391 to 394 of the Companies Act, 1956 in terms of the approval of the Honourable High Court of judicature. Post demerger, ATIL is in process of transferring the same in the name of the ATIL.

5.5 Depreciation and Amortisation Expenses (₹ in Crores)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation on Tangible Assets	1,379.85	1,290.46
Amortisation of Intangible Assets	17.34	7.21
Amortisation of Right of Use	32.51	31.21
Less : Transferred to Capital work in progress	(2.55)	-
Total	**1,427.15**	**1,328.88**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

6 Investments

Non-Current investments

Investment in Government or Trust Securities at amortised cost (₹ in Crores)

Contingency Reserve Investment (Quoted)	No of Securities	Face Value of ₹ unless otherwise specified	As at 31st March, 2022	As at 31st March, 2021
7.16% Central Government of India - 2050	1,87,50,000 (1,87,50,000)	100 (100)	201.78	202.07
9.23% Central Government of India - 2043	13,65,000 (13,65,000)	100 (100)	17.09	17.75
8.17% Central Government of India - 2044	30,00,000 (30,00,000)	100 (100)	33.93	35.58
8.13% Central Government of India - 2045	10,00,000 (10,00,000)	100 (100)	11.31	11.78
8.97% Central Government of India - 2030	5,000 (5,000)	100 (100)	0.06	0.06
		Total	**264.17**	**267.24**
Aggregate book value of Quoted Investments			**264.17**	**267.24**
Aggregate market value of Quoted Investments			**246.65**	**259.90**

7 Loans- At Amortised Cost

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Housing loans to employee against Hypothecation of the property	20.17	25.96
(Secured, considered good)		
Loan to employees (Unsecured, considered good)	8.77	7.86
Inter Corporate Deposit given to related party	1,099.60	1,040.00
(Unsecured, considered good)		
Total	**1,128.54**	**1,073.82**

(₹ in Crores)

Particulars	Amount of loan or advance in the nature of loan outstanding		Percentage to the total Loans and Advances in the nature of loans	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Promoter	-	-	-	-
Director	-	-	-	-
Key Managerial Personnel	-	-	-	-
Related Party	**1,099.60**	**1,040.00**	**97%**	**95%**

8 Non-Current Financial Assets- Others

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Fixed Deposits with maturity over 12 months *	523.93	483.18
Financial Asset Under Service Concession Arrangement (SCA)	1,065.80	1,130.43
Unbilled Revenue	1,068.28	159.14
Derivative instruments designated in hedge accounting relationship	303.94	242.53
Security deposit - Considered Good	52.39	20.88
Security deposit - Considered doubtful	1.05	1.05

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

8 Non-current Financial Assets- Others (Contd.)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Balances held as Margin Money or security against borrowings	507.79	874.47
Other Receivable	8.91	-
Total	**3,532.09**	**2,911.68**
Less : Provision For Doubtful Deposits	(1.05)	(1.05)
Total	**3,531.04**	**2,910.63**

* Represents deposits Amount towards Debt Service Reserve Account (DSRA) and Capex Reserve Account (CRA)

9 Income Tax Assets (Net)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Income Tax Assets (Net)	88.87	63.07
Total	**88.87**	**63.07**

10 Other Non-Current Assets

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Advance to Employees	2.03	2.34
Capital advances		
Considered Good	531.54	703.84
Prepaid Expenses	1.32	2.72
Deferred Assets (recoverable) / adjustable (Refer Note 28)	942.05	968.74
Total	**1,476.94**	**1,677.64**

11 Inventories

(At lower of Cost and Net Realisable Value)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Fuel	127.40	128.06
Fuel -in Transit	35.83	19.06
Stores & spares	86.88	86.59
Total	**250.11**	**233.71**

12 Current Financial Assets - Investment

(₹ in Crores)

Current Financial Assets - Investments	Face Value of ₹ unless otherwise specified	No of Units*	As at 31st March, 2022	As at 31st March, 2021
Investment in Mutual Funds units at FVTPL (Unquoted)				
Kotak Overnight Fund -Direct Growth	1000 (1000)	4,59,018.90 (-)	52.04	-
Nippon India Liquid Fund Direct Growth Plan	1000 (1000)	6,927.38 (2,045.12)	3.61	1.03

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

12 Current Financial Assets - Investments (Contd.)

(₹ in Crores)

Current Financial Assets - Investments	Face Value of ₹ unless otherwise specified	No of Units*	As at 31st March, 2022	As at 31st March, 2021
Nippon India Overnight Fund -Direct Growth	1000 (1000)	9,10,154.82 (15,60,596.02)	10.39	17.24
ICICI Prudential Overnight Fund Direct Plan	100 (100)	29,62,844.65 (14,15,818.09)	33.96	15.71
Kotak Liquid Fund - Direct Growth Plan	1000 (1000)	19,602.80 (46,94,22.56)	8.44	51.54
HDFC Overnight Fund- Direct plan-Growth Option	1000 (1000)	8,975.85 (15,709.09)	2.83	4.80
Aditya Birla Overnight Fund Growth-Direct Plan	1000 (1000)	6,06,999.18 (732.30)	69.79	0.08
Birla Sun Life Cash Plus - Growth-Direct Plan	1000 (1000)	3,28,799.10 Nil	11.28	-
SBI Overnight Fund Direct Growth Plan	1000 (1000)	1,02,479.54 (79,426.51)	35.47	26.62
Edelweiss Overnight Fund Direct Plan Growth	1000 (1000)	11,893.46 (11,893.46)	1.31	1.27
UTI Overnight Fund-Direct Growth Plan	1000 (1000)	11,371.23 (1,04,953.44)	3.31	29.57
Axis Overnight Fund Direct Growth	1000 (1000)	2,50,059.29 (2,15,332.72)	28.10	23.43
ICICI Prudential Liquid Fund - Direct Growth Plan	100 (100)	Nil (1,14,648.08)	-	3.50
		Total (a)	**260.53**	**174.79**
* Previous year units are in bracket				
Aggregate Carrying value of unquoted investments			260.53	174.79
Aggregate market value of unquoted investments			260.53	174.79

Investment for Contingency Reserve

(₹ in Crores)

Contingency Reserve Investment (Quoted)	Face Value of ₹ unless otherwise specified	No of Securities	As at 31st March, 2022	As at 31st March, 2021
8.13% Central Government of India - 2022 at amortised cost	100	1,10,000 (Nil)	1.14	-
Treasury Bills at FVTPL	100	40,00,000 (Nil)	34.68	-
		Total (b)	**35.82**	**-**
Aggregate book value of Quoted Investments			**35.82**	**-**
Aggregate market value of Quoted Investments			**36.12**	**-**
		Total (a) + (b)	**296.35**	**174.79**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

13 Trade Receivables

(Unsecured otherwise stated)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Unsecured, considered good	1,070.84	1,013.54
- more than 6 months	-	-
- Less than 6 months	1,070.84	1,013.54
Credit Impaired	11.89	11.44
	1,082.73	**1,024.98**
Less : Expected Credit Loss	(11.89)	(11.44)
Total	**1,070.84**	**1,013.54**

Trade Receivables Ageing Schedule

As at 31st March, 2022

(₹ in Crores)

Particulars	Outstanding for following periods from due date of receipt						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	464.70	480.19	46.99	40.81	-	0.02	**1,032.71**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	6.25	18.08	3.87	7.12	-	-	**35.32**
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.00	1.39	0.00	-	**1.39**
(iv) Disputed Trade Receivables considered good	0.60	1.66	0.36	0.15	-	-	**2.77**
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.01	0.03	-	-	-	-	**0.04**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	10.50	**10.50**
(vii) Provision for doubtful debt	-	-	(0.00)	(1.39)	(0.00)	(10.50)	**(11.89)**
Total	**471.56**	**499.96**	**51.22**	**48.08**	**-**	**0.02**	**1,070.84**

As at 31st March, 2021

(₹ in Crores)

Particulars	Outstanding for following periods from due date of receipt						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	446.83	434.78	86.35	1.04	-	0.15	**969.15**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	2.67	19.39	8.70	10.98	-	-	**41.74**
(iii) Undisputed Trade Receivables – credit impaired	-	-	1.39	-	-	-	**1.39**
(iv) Disputed Trade Receivables considered good	0.87	1.15	0.33	0.29	-	-	**2.64**
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	0.01	-	-	-	-	**0.01**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	10.05	**10.05**
(vii) Provision for doubtful debt	-	-	(1.39)	-	-	(10.05)	**(11.44)**
Total	**450.37**	**455.33**	**95.38**	**12.31**	**-**	**0.15**	**1,013.54**

13 Trade Receivables (Contd.)

Movement in the allowance for doubtful trade receivables

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the year	11.44	77.46
Add/(Less) : Provision made / (Written off) during the year (net of recoveries)	0.45	(66.02)
Balance at the end of the year	**11.89**	**11.44**

Notes:

(i) The Group holds security deposit amounting to ₹ 471.70 crores (PY - ₹ 474.80 crores)in respect of trade receivable of Distribution business.

(ii) The average credit period for the Group's receivables from its distribution business is in the range of 15 to 30 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, one time delayed payment charges at the rate of 1.25% & interest after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum.

(iii) The average credit period for the Group's receivables from its Transmission business is in the range of 30 to 60 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, delayed interest charges, after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum. For Transmission business, regulator approved tariff is receivable from long-term transmission customers (LTTCs) that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very minimal.

(iv) The Group considers for impairment its receivables from customers in its of Distribution business. The risk of recovery in these businesses is reduced to the extent of security deposits already collected and held as collateral. Balance amount receivable over and above the deposit is assessed for expected credit loss allowances. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due.

(v) Above trade receivables are pledged as security with the Lenders against borrowings. (Refer note 22)

(vi) The concentration of credit risk is very limited due to the fact that the large customers are mainly government bodies / departments and remaining customer base is large and widely dispersed and secured with security deposit.

14 Cash and Cash equivalents

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Balances with banks		
In current accounts	165.85	175.71
Fixed Deposits (with original maturity for three months or less)	13.28	60.60
Cheque / Draft on Hand	9.12	24.97
Cash on Hand	0.80	2.40
Total	**189.05**	**263.68**

For charge created on aforesaid assets, refer note 22.

15 Bank Balance other than Cash and Cash Equivalents

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Balances held as Margin Money	1,107.62	970.84
Fixed Deposits (with original maturity of more than 3 months and less than 12 months)	189.75	49.80
(Lodged against Bank guarantees and Debt service reserve account)		
Fixed Deposit (with original maturity of more than 3 months and less than 12 months)	6.15	5.59
Total	**1,303.52**	**1,026.23**

For charge created on aforesaid assets, refer note 22.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

16 Current Financial Assets - Loans

(At Amortised Cost)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Housing loans to employee against Hypothecation of the property	3.49	3.74
(Secured, considered good)		
Loans to employees - Unsecured considered good	4.32	3.44
Loans to Others - Unsecured, considered good	-	17.25
Total	**7.81**	**24.43**

17 Current Financial Assets - Others

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Interest receivable	21.19	10.09
Unbilled Revenue	819.61	1,266.29
Financial Asset Under Service Concession Arrangement (SCA)	87.91	88.84
Security deposit	11.24	18.75
Derivative instruments designated in hedge accounting relationship	1.50	0.08
Other Receivables	125.28	10.54
Total	**1,066.73**	**1,394.59**

18 Other Current Assets

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Advance to Suppliers	196.29	370.27
Balances with Government authorities	8.72	17.09
Prepaid Expenses	124.69	35.79
Advance to Employees	4.49	5.87
Total	**334.19**	**429.02**

19 Equity Share Capital

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Authorised Share Capital		
1,50,00,00,000 (As at 31st March 2021- 1,50,00,00,000) equity shares of ₹ 10 each	1,500.00	1,500.00
Total	**1,500.00**	**1,500.00**
Issued, Subscribed and Fully paid-up equity shares		
1,09,98,10,083 (As at 31st March 2021- 1,09,98,10,083) fully paid up equity shares of ₹ 10 each	1,099.81	1,099.81
Total	**1,099.81**	**1,099.81**

19 Equity Share Capital (Contd.)

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	(₹ in Crores)	No. of Shares	(₹ in Crores)
At the beginning of the Year	1,09,98,10,083	1,099.81	1,09,98,10,083	1,099.81
Outstanding at the end of the year	**1,09,98,10,083**	**1,099.81**	**1,09,98,10,083**	**1,099.81**

Subsequent to 31st March 2022, the board of directors of the Company, in their meeting held on 8th April 2022 have approved the transaction for issue of 15,682,600 equity share of face value of ₹ 10 each of the Company, for total consideration of ₹ 3,850 Crores to Green Transmission Investment Holding RSC Limited ("investor"), on a preferential basis. The current principal shareholder of the Investor is IHC Capital Holding LLC , Abu Dhabi, UAE. The transaction is approved by the shareholder in their meeting held on 5th May 2022, however subject to regulatory / statutory approvals.

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Mr. Gautam S. Adani / Mr. Rajesh S. Adani (On the behalf of S.B. Adani Family Trust)	62,11,97,910	56.48%	62,11,97,910	56.48%
Adani Tradeline LLP (Formerly known as Parsa Kente Rail Infra LLP)	9,94,91,719	9.05%	9,94,91,719	9.05%
Total	**72,06,89,629**	**65.53%**	**72,06,89,629**	**65.53%**

d. Details of Shareholding of Promoters

Particulars	As at 31st March, 2022		As at 31st March, 2021		% Change during the year	Remark if change is more than 25%
	No. of Shares	% of total shares	No. of Shares	% of total shares		
Shri Gautambhai Shantilal Adani	1	0.00%	1	0.00%	0.00%	
Shri Rajeshbhai Shantilal Adani	1	0.00%	1	0.00%	0.00%	
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	62,11,97,910	56.48%	62,11,97,910	56.48%	0.00%	
Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of Gautam S. Adani Family Trust)	88,36,750	0.80%	88,36,750	0.80%	0.00%	
Adani Tradeline LLP	9,94,91,719	9.05%	9,94,91,719	9.05%	0.00%	
Afro Asia Trade and Investments Limited	3,02,49,700	2.75%	3,02,49,700	2.75%	0.00%	
Fortitude Trade and Investment Limited	3,02,49,700	2.75%	3,02,49,700	2.75%	0.00%	
Worldwide Emerging Market Holding Limited	3,02,49,700	2.75%	3,02,49,700	2.75%	0.00%	
Flourishing Trade And Investment Limited	36,88,000	0.34%	36,88,000	0.34%	0.00%	
	82,39,63,481	**74.92%**	**82,39,63,481**	**74.92%**	**0.00%**	

20 Unsecured Perpetual Equity Instrument

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	2,829.70	3,279.42
Add: Availed during the year	-	-
(Less): Repaid during the year	-	(680.00)
Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	225.95	230.28
Closing Balance	**3,055.65**	**2,829.70**

Adani Transmission Limited (Parent Company) has issued Unsecured Perpetual Equity Instrument (the "Instrument") to Adani Infra (India) Limited. These Instrument are perpetual in nature with no maturity or redemption and are callable only at the option of the Parent company. The distribution on part of these Instrument i.e ₹ 2,196.11 Crores (As at 31.03.2021: ₹ 2,129.70 Crores) outstanding as at March 31, 2022 are fixed at coupon rate of 11.80% p.a. compounded annually and for remaining amount i.e. ₹ 859.54 Crores (As at 31.03.2021: ₹ 700 Crores) outstanding as at March 31, 2022 are without any coupon rate. The obligation of the Parent company to repay the outstanding amounts shall rank on a parri passu basis with the obligations of the Parent company to make payments/distributions in relation to any parity securities issued/ to be issued by the Parent company and be senior to the obligations of the Parent company to make payments/distributions in relation to preference and equity share capital and any other securities at par with preference and equity share capital of the Parent Company.

As this Instrument are perpetual in nature and ranked senior only to the Share Capital of the Parent Company and the Parent company does not have any redemption obligation, these are considered to be in the nature of equity instruments.

21 Other Equity

(₹ in Crores)

			As at 31st March, 2022	As at 31st March, 2021
a.	Capital Reserve (Refer note (i) below)			
	Opening Balance		208.87	208.87
	Add : Addition during the year		(0.00)	-
	Closing Balance	**Total (a)**	**208.87**	**208.87**
b.	Effective portion of cashflow Hedge (Refer note (ii) below)			
	Opening Balance		(182.75)	(33.41)
	Effective portion of cash flow hedge for the year		(227.11)	(149.34)
	Closing Balance	**Total (b)**	**(409.86)**	**(182.75)**
c.	General Reserve (Refer note (iii) below)			
	Opening Balance		1,207.95	1,220.60
	Less: Appropriation to Self Insurance Reserve		(6.00)	(12.65)
	Closing Balance	**Total (c)**	**1,201.95**	**1,207.95**
d.	Capital Redemption Reserve (Refer note (iv) below)			
	Opening Balance		2,436.53	1,891.88
	Add: Transfer from Retained Earning on redemption of Optionally Convertible Redeemable Preference Shares		-	544.65
	Closing Balance	**Total (d)**	**2,436.53**	**2,436.53**
e.	Debenture Redemption Reserve (Refer note (v) below)			
	Opening Balance		12.28	13.44
	Transfer from/(to) Retained Earning		(1.13)	(1.16)
	Closing Balance	**Total (e)**	**11.15**	**12.28**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

21 Other Equity (Contd.)

(₹ in Crores)

		As at 31st March, 2022	As at 31st March, 2021
f. Contingency Reserve (Refer note (vi) below)			
Opening Balance		284.91	240.54
Addition during the year		49.98	44.37
Closing Balance	**Total (f)**	**334.89**	**284.91**
g. Self Insurance Reserve (Refer note (vii) below)			
Opening Balance		12.65	-
Addition during the year		6.00	12.65
Closing Balance	**Total (g)**	**18.65**	**12.65**
h. Surplus in the Statement of Profit and Loss (Refer note (viii) below)			
Opening Balance		1,009.33	577.81
Add : Profit for the year		1,204.61	1,224.04
(Less): Other comprehensive income arising from remeasurement of Defined Benefit Plans		9.92	21.31
(Less): Distribution on Unsecured Perpetual Equity Instrument		(226.30)	(231.68)
(Less): Transfer to Contingency reserve		(43.51)	(38.66)
(Less): Transfer to Debenture Redemption Reserve		1.13	1.16
(Less): Transfer from Retained Earning to Capital Redemption Reserve (CRR) on redemption of optionally convertible redeemable Preference Shares		-	(544.65)
	Total (h)	**1,955.18**	**1,009.33**
	Total (a+b+c+d+e+f+g+h)	**5,757.36**	**4,989.77**

Notes :

i) It has been created on acquisition of subsidiary companies.

ii) The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

iii) It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company. The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes.

iv) Under the provisions of Section 55 of the Companies Act, 2013 where the redemption of preference shares is out of profits, an amount equal to nominal value of shares redeemed is to be transferred to a reserve called 'capital redemption reserve'

v) The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the company to create DRR out of profits of the company available for payment of dividend. The DRR is created over the life of debentures out of retained earnings.

21 Other Equity (Contd.)

vi) As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Group being a Distribution and Transmission Licensee, makes an appropriation to the Contingency Reserve fund to meet with certain exigencies. Investments in Bonds issued by Government of India and Mutual Funds have been made against such reserve.

vii) The company has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created in current year. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy.

viii) Retained earnings (in the event of availability of profits) represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013. No dividend are distributed during the year by the Company.

22 Non Current Financial Liabilities - Borrowings

(₹ in Crores)

	Non-current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Secured				
Bonds				
5.20% US Private Placement	2,736.12	2,722.83	87.90	84.74
4.25% USD Bonds	3,178.65	3,284.50	229.49	216.84
3.949% USD Bonds	7,512.41	7,235.63	-	-
4.00% USD Bonds	3,748.66	3,606.14	-	-
3.867% Sustainability Linked Notes	2,246.10	-	-	-
Term Loans				
From Banks				
Rupee loan	2,326.15	1,436.30	113.24	803.38
Foreign currency loan	825.41	1,339.64	89.25	5.98
From Financial Institutions	2,382.31	1,813.69	54.36	63.57
Trade Credits & Buyers Credit				
From Banks	394.70	232.25	-	-
Non Convertible Debentures				
7.51% Non Convertible Debenture	99.99	110.86	10.88	11.19
Unsecured				
Loans and advances from related parties	217.40	-	-	-
Shareholders Affiliated Debts	2,106.14	2,026.97	-	-
Total	**27,774.04**	**23,808.81**	**585.12**	**1,185.70**
Amount disclosed under the head "Other Current Financial Liabilities" (Refer Note: 31)	**-**	**-**	**(585.12)**	**(1,185.70)**
Net amount	**27,774.04**	**23,808.81**	**-**	**-**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

22 Non Current Financial Liabilities - Borrowings (Contd.)

Notes

Borrowings	Security	Terms of Repayment
4.25% USD Bonds	4.00% USD Bonds, 4.25% USD Bonds and Non-Convertible Debentures are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond/Debenture holders): (a) Mortgage of land situated at Sanand. (b) Hypothecation of all the assets (movable and immovable) including current assets of the Company. (c) Pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company. (d) accounts and receivables of ATIL and MEGPTCL and also the operating cash flows, book debts, loans and advances, commissions, dividends, interest income, revenues present and future of ATIL and MEGPTCL. (e) Assignment by way of security over loans given to ATIL & MEGPTCL. All its rights under the inter entity loan agreements entered or to be entered into between the Issuer, ATIL and MEGPTCL (the "Inter Entity Loans")"	USD Bonds aggregating to ₹ 3,429.61 Crores (31st March, 2021- ₹ 3,527.56 Crores) are redeemable by Half yearly payment starting from May 2020 to May 2036.
4.00% USD Bonds		USD Bonds aggregating to ₹ 3,789.63 Crores (31st March, 2021- ₹ 3,655.50 Crores) are redeemable by bullet payment in FY 2026.
3.949% USD Bonds	a) a first pari passu mortgage over certain Identified Immovable Properties; b) a first pari passu charge on the movable assets of the Project (both present and future); c) a first pari passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets, monies in the Debenture Liquidity Account and the post distribution cash flows), commissions or revenues whatsoever arising out of the Project (both present and future); d) a first pari passu charge on the Accounts under the Project Accounts Deed (except the Excluded Accounts (which means the AEML PPRA Account, the Debenture Liquidity Account, each of the AEML Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEML Distributions Account)) and amounts lying to the credit of such Accounts (both present and future); e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC; f) a pledge over 100% of the entire paid up equity and preference share capital of the Company; g) a non-disposal undertaking over immovable properties other than certain identified immovable properties; h) a non-disposal undertaking over the immovable and movable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of the Service Company (both present and future); and i) a non-disposal undertaking over 100% of the equity and preference share capital of the Service Company. In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the Issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of the Company, and such future obligors.	3.949% Bond amounting to ₹ 7,364.53 Crores (31st March, 2021 ₹ 7,235.63 Crores) is repayable by way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. The Group can voluntarily prepay the Bond on payment of premium.
Term Loans from Banks - 2.99938% (3.9466%)		"During the year, Group prepaid term loans from Banks. As at 31 March 2021, the terms of repayment were as given below: By way of bullet payment with an obligation to prepay the debt on occurrence of certain events. Group can voluntarily prepay the Term Loan either in full or part. The Future annual repayment obligations on principal amount are as under:- a) 1 Installment amounting to ₹ 511.77 crores in FY23. b) 2 Installment of amounting to ₹ 767.65 crores in FY23. Impact of recognition of borrowings at amortised cost using effective interest method was ₹ (30.65) crores. "
Sustainability Linked Notes - 3.87% (and related hedging instruments)		By way of bullet payment in July 2031 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

22 Non Current Financial Liabilities - Borrowings (Contd.)

Borrowings	Security	Terms of Repayment
Buyers credit	**Ranking of Security** The Collateral will be a first charge ranking pari passu among the debt security holders, without any preference or priority and shall rank pari passu with all the senior secured debt of the Company in accordance with the Senior Secured Note Documents.	Buyers credit aggregating ₹ Nil, (31st March, 2021- ₹ 92.35 Crores) from banks at the rate of interest ranges from 1.55 % to 5.7 %
8.50% Rupee Term Loans from Banks		During the year, Group prepaid Rupee term loans from Banks in full. As at 31 March 2021, the terms of repayment were : two equal annual instalments of ₹ 33.33 Crores starting from March 2021.
6.365% Shareholders Affiliated Debts	(i) First-ranking fixed charge over all its present and future right, title, benefit and interest in the Excluded Loan Accounts (ii) First-ranking floating charge over all of its present and future right, title, benefit and interest in the equity distribution account	Shareholders Affiliated Debts are repayable commencing from February 2027 through February 2040 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the debt on payment of premium.
Rupee Term Loans aggregating , Foreign Currency Loans, Rupee Term Loan from Financial Institution and Letter of credits/Buyers Credit	Availed by the Group from various banks and financial institutions are secured by a pari passu charge on all present and future movable and immovable assets, receivables, project documentation, cash flows, licences, insurance contracts and approval. Respective companies shares are pledged.	**(A) Letter of credits** (Foreign and Inland) from bank of ₹ 395.64 Crores (31st March, 2021 - ₹ 584.64 Crores) carry interest rates ranging from 4.40 % to 4.87% p.a. The same will be converted in to RTL on the day of maturity or will be repaid. **(B) Rupee term loans from Banks** of ₹ 2,494.89 Crores (31st March, 2021 ₹ 2.196.32 Crores) and Rupee Term Loan from Financial Institution of ₹ 2,449.67 Crores (31st March, 2021 ₹ 1,889.65 Crores) carry interest rates ranging from 7.25% to 10.90%. The loan is repayable at different maturities ending on FY 2050-51. **(C) Foreign Currency loan (ECB Loan) from bank** (i) aggregating to ₹ 89.30 Crores (as at 31st March 2021 :- ₹ 97.35 Crores carries an Interest @ Euribor plus 1.85% per annum. The loan is repayable in 19 quarterly instalments commencing from 18th December 2017. (ii) aggregating to ₹ 968.50 Crores (As on 31st March 2021 - Nil), having an interest rate of 6 Month Libor (2.50% p.a. Initial Margin + Spread) .The repayment schedule will start from FY 2023-24 with Semi Annually instalment with First instalment due on May-23 and will end on FY 2025-26.
5.20% US Private Placement	5.20% US Private Placement Notes are issued by six (6) transmission companies.The Notes are secured/to be secured by first ranking charge on receivables, on all immovable and movable assets, charge or assignment of rights under Transmission Service Agreement and other project documents, charge or assignment of rights and/or designation of the Security Trustee as loss payee under each insurance contract in respect of Project. The Notes are also secured by way of pledge over 100% of shares of the Seven (7) companies held by Holding Company, i.e. Adani Transmission Limited.	5.20%, 376.40 Million USD Denominated Notes aggregating to ₹ 2,852.83 Crores, (31st March, 2021- ₹ 2,838.13 Crores) which has a semi-annual repayment schedule with first repayment in the month of Sep-2020 and semi-annually then after over the period of its tenor ending March-2050.

22 Non Current Financial Liabilities - Borrowings (Contd.)

Borrowings	Security	Terms of Repayment
Non Convertible Debentures (NCD)	Non Convertible Debentures are secured by having first charge over receivables, immovable and movable assets created out of project on pari passu basis with other secured lenders.	NCD aggregating to ₹ 111.18 Crores (31st March, 2021 - ₹ 122.84 Crores) having an interest rate of 7.51% which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2018-19 to FY 2033-34.
Secured Loan from banks	First charge on receivables and on immovable and movable assets created out of project on pari passu basis.	Working Capital Loan/ bank overdraft aggregating ₹ 788.01 Crores, (31st March, 2021- ₹ 1,170.96 Crores) from banks at the rate of interest ranges from 1.55% to 8.25 %
Unsecured Loan-from bank	Unsecured Loan	Loan aggregating to ₹ 357.38 crores, (31st March, 2021- ₹ 659.51 crores) from banks at the rate of interest ranges from 5.80% to 6.75 %. The loan is ending on 2022-23.
Unsecured Loan-from related party	Unsecured Loan -Long term	Inter-corporate loan of ₹ 217.40 crores (31st March 2021 :- ₹ Nil)from Related party is unsecured and carries interest at the rate of 11.% p.a. and repayable in single instalment which is due on March 31, 2025.
Unsecured Loan-from related party	Unsecured Loan -Short term	Loan aggregating to ₹ Nil (31st March, 2021- ₹ 350.77) from related party at the rate of interest at 11.80 %

23 Lease Liability Obligation

(₹ in Crores)

	Non-current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Lease Liability Obligation	66.12	88.91	21.09	45.07
Total	**66.12**	**88.91**	**21.09**	**45.07**

24 Non Current Trade Payable

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	32.22	31.93
Total	**32.22**	**31.93**

25 Non Current Financial Liabilities - Others

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Payable on purchase of Property, Plant and Equipment	268.61	393.34
Derivative instruments designated in hedge accounting relationship	66.02	145.34
Deposits from Customer and Other	0.18	-
Total	**334.81**	**538.68**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

26 Other Non Current Liabilities

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Deferred Revenue- Service Line Contributions from Consumers	290.25	231.77
Advances from Customer	-	51.12
Total	**290.25**	**282.89**

27 Provisions

(₹ in Crores)

	Non-Current		Current	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Provision for Gratuity (Refer note 55)	177.92	148.35	34.66	32.37
Provision for Compensated Absences	404.82	400.51	32.86	26.50
Provision for Other Employment Benefits	19.08	20.01	3.39	2.98
Provision for Stamp Duty	15.65	15.65	-	-
Total	**617.47**	**584.52**	**70.91**	**61.85**

28 Deferred Tax Liabilities (net)

(₹ in Crores)

		As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Liabilities			
Mark to Market Gain on Mutual Funds		(0.31)	(0.10)
Difference between book base and tax base of property, plant and equipment and SCA		(1,687.63)	(1,434.34)
Deferred Tax Liabilities	(a)	**(1,687.94)**	**(1,434.44)**
Deferred Tax Assets			
Provision disallowed (Employee Benefits)		220.69	205.82
Interest on Lease Liabilities		0.13	-
Business Losses		26.93	16.13
Allowance for Doubtful Debts, Deposits, Advances and property tax payable		7.70	5.67
Hedge Reserve		18.03	20.47
Deferred Tax Assets	(b)	**273.48**	**248.09**
Deferred Tax Assets/(Liabilities) (Net)		**(1,414.46)**	**(1,186.35)**
Deferred Tax Assets/(Liabilities) (Net)		(1,414.46)	(1,186.35)
Net deferred tax liabilities	**Total**	**1,414.46**	**1,186.35**

Tariff regulations provide for the recovery of Income Tax from the beneficiaries / consumers by way of grossing up the return on equity based on effective tax rate for the financial year. Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries / consumers is disclosed as “deferred assets recoverable / adjustable”. The same will be recovered when the related deferred tax liability get converted into current tax.

28 Deferred Tax Liabilities (net) (Contd.)

(a) Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2021-22

(₹ in Crores)

Particulars	Opening Balance as at 1st April, 2021	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at 31st March, 2022
Tax effect of items constituting deferred tax liabilities:					
Mark to Market gain on Mutual Funds	(0.10)	(0.21)	-	-	(0.31)
Difference between book base and tax base of property, plant and equipment and SCA	(1,434.34)	(219.45)	(33.84)	-	(1,687.63)
Total	**(1,434.44)**	**(219.66)**	**(33.84)**	**-**	**(1,687.94)**
Tax effect of items constituting deferred tax assets:					
Provision disallowed (Employee Benefits)	205.82	14.87	-	-	220.69
Interest on Lease Liabilities	-	0.13	-	-	0.13
Allowance for Doubtful Debts, Deposits and Advances	5.67	2.03	-	-	7.70
Tax Losses	16.13	10.80	-		26.93
Hedge Reserve	20.47	-	-	(2.44)	18.03
Total	**248.09**	**27.83**	**-**	**(2.44)**	**273.48**
MAT credit entitlement	**-**	**-**	**-**	**-**	**-**
Net Deferred Tax Asset / (Liabilities)	**(1,186.35)**	**(191.83)**	**(33.84)**	**(2.44)**	**(1414.46)**

(b) Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2020-21

(₹ in Crores)

Particulars	Opening Balance as at 1st April, 2020	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at 31st March, 2021
Tax effect of items constituting deferred tax Liabilities:					
Mark to Market gain on Mutual Funds	(0.90)	0.80	-	-	(0.10)
Difference between book base and tax base of property, plant and equipments and SCA	(1069.65)	(369.22)	4.53	-	(1434.34)
Total	**(1,070.55)**	**(368.42)**	**4.53**	**-**	**(1434.44)**
Tax effect of items constituting deferred tax assets:					
Provision disallowed (Employee Benefits)	7.00	198.82	-	-	205.82

28 Deferred Tax Liabilities (net) (Contd.)

(₹ in Crores)

Particulars	Opening Balance as at 1st April, 2020	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at 31st March, 2021
Interest on Lease Liabilities	0.02	(0.02)	-	-	-
Allowance for Doubtful Debts, Deposits and Advances	-	5.67	-	-	5.67
Tax Losses	20.92	(4.79)	-	-	16.13
Hedge Reserve	2.76	-	-	17.71	20.47
Total	**30.70**	**199.68**	**-**	**17.71**	**248.09**
MAT credit entitlement	**68.48**	**(68.48)**	**-**	**-**	**-**
Net Deferred Tax Liabilities	**(971.37)**	**(237.22)**	**4.53**	**17.71**	**(1,186.35)**

Deferred taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

In respect of above, Deferred tax liabilities have not been recognized on temporary differences amounting to ₹ 1,245.73 crore and ₹ 790.53 crore as at March 31, 2022 and March 31, 2021 respectively.

29 Current Financial Liabilities - Borrowings

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Secured Borrowings		
From Banks		
Cash Credit/ Working Capital Short term Loan/Bank Over Draft	788.01	863.84
From Banks	209.00	-
Buyers credit	0.94	92.35
Total (a)	**997.95**	**956.19**
Unsecured Borrowings		
From Banks	457.47	659.51
From Related Parties	-	350.77
Total (b)	**457.47**	**1,010.28**
Current maturities of long-term borrowings (Secured) (Refer note : 22)	**585.12**	**1,185.70**
Total (a+b)	**2,040.54**	**3,152.17**

(i) For Short Term Loan, Buyers Credit and Working capital loans - Please Refer note 22

(ii) The rate of interest for Secured / Unsecured loans (including Buyers Credit and Working capital loans) from banks ranges - Please Refer Note 22

(iii) The Group has been sanctioned working capital from banks on the basis of security of current assets. The Group in this regard has been duly submitting with all such banks from whom such facilities are taken, the quarterly statements comprising details of said current assets viz. raw material, stores and spares, finished goods, advances for power purchases and coal, book debts (including unbilled revenue) and other receivable (<90 days) reduced by relevant trade payables (i.e net of provisions, regulatory payables and other payables). The said quarterly statements are in agreement with the unaudited books of account of the Group of the respective quarters and there are no material discrepancies.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

30 Trade Payables

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Trade Payables		
Micro and Small Enterprises	26.37	29.69
Other than Micro and Small Enterprises	1,581.54	1,211.32
Total	**1,607.91**	**1,241.01**

Trade Payables ageing schedule

As at 31st March, 2022

(₹ in Crores)

Particulars	**Outstanding for following periods from due date of receipt**					**Total**
	Not Due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**More than 3 years**	
(a) MSME	11.06	9.50	2.10	2.46	1.25	**26.37**
(b) Others	212.30	1,119.78	130.48	49.58	9.55	**1,521.69**
(c) Disputed dues – MSME	-	92.07	-	-	-	**92.07**
(d) Disputed dues - Others	-	-	-	-	-	**-**
Total	**223.36**	**1,221.35**	**132.58**	**52.04**	**10.80**	**1,640.13**

As at 31st March, 2021

(₹ in Crores)

Particulars	**Outstanding for following periods from due date of receipt**					**Total**
	Not Due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**More than 3 years**	
(a) MSME	18.66	8.72	1.56	0.43	0.32	**29.69**
(b) Others	77.85	834.00	264.25	23.66	43.49	**1,243.25**
(c) Disputed dues – MSME	-	-	-	-	-	**-**
(d) Disputed dues - Others	-	-	-	-	-	**-**
Total	**96.51**	**842.72**	**265.81**	**24.09**	**43.81**	**1,272.94**

Note : Above ageing includes Long term and Short term Trade payable.

31 Current Financial Liabilities - Others

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due on borrowings	212.03	196.78
Payable on purchase of Property, Plant and Equipment	644.82	765.25
Derivative Instruments designated in hedge accounting relationship	86.44	163.82
Security Deposits from Consumers, Customers & Vendors	494.24	486.82
Other Payables	-	6.53
Refundable to customers on truing up	118.76	-
Total	**1,556.29**	**1,619.20**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

32 Other Current Liabilities

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Statutory liabilities	242.30	191.22
Advance from Customers	90.51	71.57
Other Payables	3.22	13.27
Deferred Revenue - Service Line Contributions from Consumers	11.12	9.78
Other Advances	0.45	5.45
Total	**347.60**	**291.29**

33 Current Tax Liabilities (Net)

(₹ in Crores)

	As at 31st March, 2022	As at 31st March, 2021
Current Tax Liabilities (Net)	12.34	6.48
Total	**12.34**	**6.48**

34 Revenue from Operations - From Generation, Transmission and Distribution Business

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a) Income from sale of Power and Transmission Charges		
Income from sale of Power and Transmission Charges (net) (refer note 59)	9,996.36	8,823.91
Income under Service Concession Arrangements (SCA)	141.94	149.28
Total (a)	**10,138.30**	**8,973.19**
b) Other Operating Revenue		
Street Light Maintenance Charges	141.77	101.83
Cross subsidy Surcharge	65.97	52.40
Sale of Coal Rejects / Fly Ash	16.59	8.94
Amortisation of Service Line Contribution	11.05	9.22
Others	61.93	24.12
Total (b)	**297.31**	**196.51**
Total (a+b)	**10,435.61**	**9,169.70**

35 Revenue from Operations - From Trading Business

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Sale of Traded Goods	821.91	756.63
Total	**821.91**	**756.63**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

36 Other Income

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Income		
Bank	181.39	173.99
Others (Including Related Party ₹ 183.81 crores (previous year ₹ 162.75 Crores)	327.60	292.96
Gain on Sale/Fair Value of Current Investments measured at FVTPL	10.12	28.89
Gain on Sale/Fair Value of Current Investments measured at FVTPL - Contingency Reserve Fund	-	17.11
Sale of Scrap	12.80	11.16
Bad debt recovery	4.95	3.00
Unclaimed liabilities / Excess provision written back	0.80	2.11
Sundry creditors written back	57.41	-
Miscellaneous Income	8.88	3.38
Total	**603.95**	**532.60**

37 Purchases of Stock - in - Trade

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Purchases of Stock - in - trade	821.23	755.89
Total	**821.23**	**755.89**

38 Employee Benefits Expenses

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages and Bonus	664.04	728.81
Contribution to provident fund and other funds	68.86	63.06
Contribution to Gratuity fund	49.72	47.55
Staff Welfare Expenses	102.45	91.34
Total	**885.07**	**930.76**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

39 Finance costs

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest on Loans & Debentures	1,212.18	1,083.45
Interest on Trade Credits	108.62	50.50
Interest on Lease Obligation	11.20	12.07
Bank Charges & Other Borrowing Costs	21.03	15.42
Security Deposits From Consumer at amortised cost	-	-
Interest - Hedging Cost	859.61	746.94
Foreign Exchange Fluctuation Gain(net)-Borrowings (Refer below note 1)	152.31	208.61
Total	**2,364.95**	**2,116.99**

Note 1 : Including Mark to Market gain of ₹ 608.01 Crores (P.Y. ₹ 833.74 Crores) on Derivative Instruments designated in hedge accounting relationship.

40 Other Expenses

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Stores and Spares	60.99	58.18
Transmission Charges	439.74	468.52
Repairs and Maintenance - Plant and Equipment	418.37	278.12
Repairs and Maintenance -Building	20.31	17.88
Repairs and Maintenance - Others	105.04	163.37
Short Term Lease Rental (Refer note 44)	17.15	15.26
Rates and Taxes	20.07	21.17
Legal & Professional Expenses	200.36	152.62
Payment to Auditors (including component auditors)	2.88	2.57
Travelling & Conveyance Expenses	34.01	35.93
Insurance Expenses	15.61	28.36
Bad Debt Written Off	18.31	27.14
Foreign Exchange Fluctuation Loss	1.00	-
Corporate Social Responsibility expenses	23.14	25.99
Security Charges	34.86	35.44
Loss on sale/discard of Property, Plant and Equipment	0.05	-
Miscellaneous Expenses	88.29	71.70
Total	**1,500.18**	**1,402.25**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

41 Income Tax

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Current Tax :		
In respect of current year	243.71	233.01
In respect of Previous years	0.52	(46.00)
Deferred Tax	191.83	237.22
Total	**436.06**	**424.23**

Tax recognised in other comprehensive income

(₹ in Crores)

	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Remeasurement of Defined Benefit Plans		
Total income tax recognised in other comprehensive income	(2.89)	(6.03)
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		
Tax relating to items that will be reclassified to Profit or Loss	(2.44)	17.71
Total	**(5.33)**	**11.68**
Accounting profit before tax	1,700.49	1,619.90
Income tax expense at tax rates applicable to individual entities	565.40	545.80
Tax Effect of :		
Income and Expenses not allowed under Income Tax		
i) Differences in respect of Distribution on Perpetual Equity Instrument	(56.95)	(58.31)
ii) Current year Losses for which no Deferred Tax Asset is created	72.67	63.41
iii) Adjustments in respect of current income tax of previous year (due to transition to new tax regime)	5.11	(109.54)
iv) Non deductible Expenses	15.39	-
v) Effect of change in tax rate	-	14.41
vi) MAT Credit not recognised	225.38	221.06
vii) 80IA claims	(418.45)	(258.36)
viii) Others (Includes Tax at different rate)	27.51	5.76
Gross Tax	**436.06**	**424.23**
Tax provisions :		
Current Tax: In respect of current year	243.71	233.01
Current Tax: In respect of Earlier Period	0.52	(46.00)
Net DTL / (DTA) recognised during the year	193.76	168.74
MAT Credit entitlement	(1.93)	68.48
Income tax recognised in statement of profit and loss at effective rate	**436.06**	**424.23**

41 Income Tax (Contd.)

Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following are Expiry of unrecognised deferred tax assets is as detailed below :

(₹ in Crores)

As at 31st March, 2022	Business Losses	Unabsorbed Depreciation	Mat Credit
Unrecognised deferred tax assets			
Within One Year	-	-	-
Greater than one year, less than five years	392.42	-	-
Greater than five years	932.40	-	1,343.02
No expiry date	-	62.65	-
Total	**1,324.82**	**62.65**	**1,343.02**

(₹ in Crores)

As at 31st March, 2021	Business Losses	Unabsorbed Depreciation	Mat Credit
Unrecognised deferred tax assets			
Within One Year	-	-	-
Greater than one year, less than five years	137.22	-	-
Greater than five years	863.19	-	1,102.44
No expiry date	-	118.67	-
Total	**1,000.41**	**118.67**	**1,102.44**

42 Earnings Per Share (EPS)

			For the year ended 31st March, 2022	For the year ended 31st March, 2021
A	After net Movement in Regulatory Deferral Balance			
	Profit after tax	(₹ in Crores)	1,204.61	1,224.04
	Less: Distribution on Unsecured perpetual Equity Instrument	(₹ in Crores)	(226.30)	(231.68)
	Net Profit attributable to Equity Shareholders including Regulatory income/(expense)	**(₹ in Crores)**	**978.31**	**992.36**
	Weighted average number of equity shares outstanding during the year	No	1,09,98,10,083	1,09,98,10,083
	Nominal Value of equity share	₹	10	10
	Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after net Movement in Regulatory Deferral Balance	₹	**8.90**	**9.02**
B	Before net Movement in Regulatory Deferral Balance			
	Profit after tax	(₹ in Crores)	1,204.61	1,224.04
	Less: Distribution on Unsecured perpetual Equity Instrument	(₹ in Crores)	(226.30)	(231.68)
	Add/(Less): Regulatory Income / (expense) (net)	(₹ in Crores)	(421.86)	(360.26)
	Net Profit attributable to Equity Shareholders excluding Regulatory income/(expense)	(₹ in Crores)	**556.45**	**632.10**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

42 Earnings Per Share (EPS) (Contd.)

		For the year ended 31st March, 2022	For the year ended 31st March, 2021
Weighted average number of equity shares outstanding during the year	No	1,09,98,10,083	1,09,98,10,083
Nominal Value of equity share	₹	10	10
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before net Movement in Regulatory Deferral Balance	₹	**5.06**	**5.75**

43 Contingent liabilities and Commitments

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(i) Contingent liabilities :		
(a) Direct tax	0.91	0.92
(b) Vat and Entry tax	11.94	14.40
(c) Demand disputed by the Group relating to Service tax on street light Maintenance, wheeling charges and cross subsidy surcharges - (Refer note 1)	353.55	353.55
(d) Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels.(Refer Note 1)	127.65	127.65
(e) Claims raised by Vidarbha Industries Power Limited (VIPL) in respect of increase in fuel cost for the financial year ended 31st March, 2019 (Refer Note 1)	1,381.28	1,381.28
(f) Way Leave fees claims disputed by the Group relating to rates charged (Refer Note 1)	28.43	28.43
(g) Other claims against the Group not acknowledged as debts. (Refer Note 1)	36.02	36.02
(h) Claims pertaining to interest in respect of certain regulatory Liabilities -(Refer Note 1)	@@	@@
(i) Liability in respect of disposal of bottom Ash	@@	@@
Total	**1,939.78**	**1,942.25**

@@ Amount not determinable

1 In terms of the Share Purchase Agreement entered into by the Group with RINFRA, in the event the above matters are decided against the AEML and are not recoverable from the consumers, the same would be recovered from RINFRA.

2 The above Contingent Liabilities to the extent pertaining to Regulated Business having cost plus model, which on unfavourable outcome are recoverable from consumers subject to MERC/CERC approval.

3 Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.

4 Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

5 Performance bank guarantee given by the Parent Company on behalf of Subsidiary companies, ₹ 281.04 Crores (Previous year ₹ 361.79 Crores) against which the subsidiary companies have taken counter

43 Contingent liabilities and Commitments (Contd.)

guarantees from their respective EPC contractors.

The Group, in respect of the above mentioned Contingent Liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
(ii) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advance)	1,777.55	2,413.43
	1,777.55	**2,413.43**

(iii) Other Commitments:

In terms of the MERC Renewable Purchase Obligation (RPO) regulations AEML is required to procure on an annual basis a certain quantum of power generated from renewable sources , as at 31st March, 2022 AEML has an cumulative outstanding commitment to procure renewable power of 5038 Mu's (31st March, 2021 - 4256 Mu's)

AEML to meet its past and future RPO commitment, has entered into through a competitive bid, a long term 25 years PPA of 700 MW with a group entity (Adani Hybrid Energy Jaisalmer Four Limited) to purchase 700 MW of Wind Solar Hybrid Renewable Power at ₹ 3.24 per unit. AEML has purchased 292.95 Mus of Solar Hybrid from Adani Hybrid Energy Jaisalmer Four Limited during the year ended 31st March, 2022.

AEML in its MYT petition had requested MERC to allow it to carry forward its unmet RPO obligation to the next control period , so as to allow it to fulfil its past obligation from the above arrangement entered into. MERC has directed AEML to file a separate petition in respect of the same wherein appropriate view would be taken. The management is of the view that MERC would approve the above request and there would be no adverse financial implications of the non-compliance by AEML of its past RPO obligations.

44 Leases

(i) Disclosure under Ind AS 116 Leases:

(a) The following is the movement in Lease liabilities during the year ended 31st March, 2022

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	133.98	145.35
Lease Liabilities on account of Leases entered / terminated during the year	(26.71)	11.75
Finance Costs incurred during the year	11.20	12.07
Net Payments of Lease Liabilities	(31.26)	(35.19)
Closing Balance (refer note 23)	**87.21**	**133.98**

(b) The Group's significant leasing arrangements, other than lease hold land, are in respect of office premises, residential premises, warehouses and cash collection centres, taken on lease. The arrangements range between 11 months to 5 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Group has not entered into any material financial lease.

(c) Leasing arrangements with respect to land range between 20 years to 99 years generally.The lease agreement is of fixed rate and non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.

44 Leases (Contd.)

(d) The expense relating to payments not included in the measurement of the lease liability and recognised as expenses in the statement of profit and loss during the year is as follows :

Low Value leases - Immaterial

Short-term leases - ₹ 17.15 Crores (31st March, 2021 ₹ 15.26 Crores)

(e) The Group had a 25 year long term Power Purchase Agreement (PPA) with Vidharbha Industries Power Limited (VIPL), wherein the Group has committed to purchase the entire output generated from VIPL's generating station located at Butibori. In terms of the PPA, the Group subject to a minimum guaranteed plant availability (determined on a yearly basis) is liable to pay subject to MERC approval a fixed monthly capacity charge and a variable charge towards the cost of fuel.VIPL was obligated to make the plant available for generation for a minimum period of time (determined on a yearly basis) and the option as regards the timing of availability was at the discretion of VIPL.

The Group on assessment of the above arrangement has concluded, that considering the Group does not have the right to direct the use of the asset, the above arrangement does not qualify to be lease under IND AS 116.

During FY 2019-20, the Group had terminated the above PPA due to non-performance of obligations under the PPA by VIPL, such termination has been upheld by MERC / Appellate Tribunal of Electricity ("ATE"). VIPL has filed an appeal before the Hon'able Supreme Court against the said order issued by the ATE. The proceedings are ongoing with the Hon'ble Supreme Court.

45 Related Party Disclosure

Name of related parties & description of relationship

(A) Ultimate Controlling Entity	S. B. Adani Family Trust (SBAFT)
(B) Key Management Personnel:	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director and Chief Executive Officer
	Ms. Meera Shankar - Non Executive Director
	Ms. Lisa Caroline Maccallum - Non Executive Director (from 30th November, 2021)
	Dr. Ravindra H. Dholakia - Non Executive Director
	Mr. K. Jairaj - Non Executive Director
	Mr. Kaushal Shah, Chief Financial Officer (Upto 2nd February, 2021)
	Mr. Rohit Soni - Chief Financial Officer (from 6th September, 2021)
	Mr. Jaladhi Shukla, Company Secretary
(C) Enterprises over which (A) or (B) above have significant influence of Ultimate Controlling Entity. :	Adani Infra (India) Limited
	Adani Power (Mundra) Limited
	Adani Power Maharashtra Limited
	Adani Enterprises Limited
	Adani Power Limited
	Adani Ports and Special Economic Zone Limited
	Mundra Solar PV Limited
	Karnavati Aviation Private Limited

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

45 Related Party Disclosure (Contd.)

(C) Enterprises over which (A) or (B) above have significant influence of Ultimate Controlling Entity. :	Adani Foundation
	Belvedere Golf and Country Club Private Limited
	Adani Township & Real Estate Company Private Limited
	Adani Institute for Education and Research
	Adani Infrastructure Management Services Limited
	Adani Properties Private Limited
	Sunbourne Developers Private Limited
	Adani Power Rajasthan Limited
	Udupi Power Corporation Limited
	Adani Green Energy Limited
	Adani Total Gas Limited
	Adani Green Energy (Tamil Nadu) Limited
	Kamuthi Solar Power Limited
	AEML Gratuity Fund
	AEML Superannuation Fund
	Adani Green Energy Six Limited
	Adani Renewable Energy Park Rajasthan Limited
	Adani Ahmedabad International Airport Limited
	Raigarh Energy Generation Limited
	Adani Krishnapatnam Port Limited
	Adani Gas Limited
	Adani Airport Holdings Limited
	Adani Green Energy (UP) Limited
	Adani Hospitals Mundra Private Limited
	Mundra Sez Textile And Apparel Park Private Limited
	Vishakha Renewable Private Limited
	Adani Hybrid Energy Jaisalmer Four Limited
	Superheights Infraspaces Private Limited
	Mumbai International Airport Limited
	Ahmedabad International Airport Limited
	Mangalore International Airport Limited
	Valuable Properties Private Limited
	Adani Mundra Sez Infrastructure Private Limited

Enterprises having significant influence of Ultimate Controlling Entity, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

45 Related Party Disclosure (Contd.)

(₹ in Crores)

Nature of Transactions	With Significant Influence of Ultimate Controlling Entity		With Key Managerial Personnel	
For the Year Ended	**31st March, 2022**	**31st March, 2021**	**31st March, 2022**	**31st March, 2021**
Interest Expenses	21.58	6.03	-	-
Interest Income	183.81	162.75	-	-
Distribution on Perpetual Equity Instrument (Refer Note: 1)	226.30	231.67	-	-
Purchase of Goods	-	11.40	-	-
Purchase of Inventory	16.67	0.61	-	-
Purchase of Power (net of discount)	1,378.28	360.70	-	-
Advance paid towards Purchase of property and Equipment	-	0.47	-	-
Towards acquisition of leasehold land	510.00	-	-	-
Advance paid towards Purchase of property - Received back	271.00	-	-	-
Sale of Inventory	0.03	0.82	-	-
Purchase of Investment	116.27	-	-	-
Rent Expense	3.68	3.03	-	-
Loan Taken	3,472.72	785.34	-	-
Loan given	767.40	1,467.51	-	-
Loan Repaid	3,615.28	434.58	-	-
Loan Received back	707.80	2,047.51	-	-
Sale of Goods, Store and spares	-	0.42	-	-
Services Availed and Corporate allocation Including Reimbursement of expenses	109.33	112.59	-	-
Services Income	0.08	0.01	-	-
CSR Expenditure	21.73	11.54	-	-
Advance paid towards Purchase of Power	1,313.31	700.00	-	-
Advance paid towards Purchase of Power - Received back	628.00	250.00	-	-
Earnest Money Deposit (EMD) received	-	6.84	-	-
EMD Given Back	-	6.64	-	-
Contribution to Employee Benefits	7.76	8.87	-	-
Director Sitting Fees	-	-	0.25	0.19
Compensation of Key Management Personnel (Refer Note: 3)				
a) Short-term benefits	-	-	9.89	14.32
b) Post-employment benefits	-	-	0.32	0.31
Unsecured Perpetual Equity Instrument repaid	-	680.00	-	-
O&M Agreement Charge	68.44	52.82	-	-

All above transactions are in the normal course of business and are made on terms equivalent to those that prevail at arm's length transactions.

45 Related Party Disclosure (Contd.)

(₹ in Crores)

Closing Balance	With Significant Influence of Ultimate Controlling Entity		With Key Managerial Personnel	
As at	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Balance Payable	514.30	32.63	-	-
Balance Receivable	0.84	550.52	-	-
Loan Payable	217.40	350.77	-	-
Interest accrued but not due	-	5.04	-	-
Interest accrued but not due Receivable	12.03	-	-	-
Deposits Given Balance	0.00	-	-	-
Capital Advance	113.83	112.80	-	-
Loans Receivable	1,099.60	1,040.00	-	-
Land Advance	0.00	0.00	-	-
Unsecured Perpetual Equity Instrument (includes accrued distribution) (Note 2)	3,055.65	2,829.70	-	-

Notes :

1 Accrued on Perpetual Equity, infused by Entity under common control

2 Long term Financial support by way of perpetual equity instruments from Entity under common control

3 Short-term benefits of FY 20- 21 Include Performance Incentive for FY 19-20 and 20-21.

46 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 31st March, 2022 is as follows:

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Mutual Funds	-	260.53	-	260.53	260.53
Investments in Government securities	-	34.68	265.31	299.99	282.77
Trade Receivables	-	-	1,070.84	1,070.84	1,070.84
Cash and Cash Equivalents	-	-	189.05	189.05	189.05
Bank Balances other than Cash and Cash Equivalents above	-	-	1,303.52	1,303.52	1,303.52
Loans	-	-	1,136.35	1,136.35	1,136.35
Derivative instruments designated in hedge accounting relationship	-	305.44	-	305.44	305.44
Other Financial Assets	-	-	4,292.33	4,292.33	4,292.33
Total	**-**	**600.65**	**8257.40**	**8,858.05**	**8,840.83**

(Transactions below ₹ 50,000.00 denoted as ₹ 0.00),

46 Fair Value Measurement : (Contd.)

a) The carrying value of financial instruments by categories as of 31st March, 2022 is as follows : (Contd.)

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Financial Liabilities					
Borrowings (Including current maturities and Interest Accrued)	-	-	30,026.61	30,026.61	28,662.19
Derivative instruments designated in hedge accounting relationship	(262.79)	415.25	-	152.46	152.46
Other Financial Liabilities	-	-	1,613.82	1,613.82	1,613.82
Trade Payables	-	-	1,640.13	1,640.13	1,640.13
Total	**(262.79)**	**415.25**	**33,280.56**	**33,433.02**	**32,068.60**

b) The carrying value of financial instruments by categories as of 31st March, 2021 is as follows :

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Mutual Funds	-	174.79	-	174.79	174.79
Investments in Government securities	-	-	267.24	267.24	259.90
Trade Receivables	-	-	1,013.54	1,013.54	1,013.54
Cash and Cash Equivalents	-	-	263.68	263.68	263.68
Bank Balances other than Cash and Cash Equivalents above	-	-	1,026.23	1,026.23	1,026.23
Loans	-	-	1,098.25	1,098.25	1,098.25
Derivative instruments designated in hedge accounting relationship	-	242.61	-	242.61	242.61
Other Financial Assets	-	-	4,062.61	4,062.61	4,062.61
Total	**-**	**417.40**	**7,731.55**	**8,148.95**	**8,141.61**
Financial Liabilities					
Borrowings (Including current maturities and Interest Accrued)	-	-	27,157.76	27,157.76	27,570.57
Derivative instruments designated in hedge accounting relationship	(192.32)	501.48	-	309.16	309.16
Other Financial Liabilities	-	-	1,785.92	1,785.92	1,785.92
Trade Payables	-	-	1,272.94	1,272.94	1,272.94
Total	**(192.32)**	**501.48**	**30,216.62**	**30,525.78**	**30,938.59**

The management assessed that the fair value of cash and cash equivalents, other balance with banks, trade receivables, loans, trade payables, other financial assets and liability approximate their carrying amount largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

46 Fair Value Measurement : (Contd.)

Fair value of mutual funds are based on the price quotations near the reporting date.

The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date

The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.

The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the Group's own non-performance risk.

47 Fair Value hierarchy

(₹ in Crores)

Particulars	31st March, 2022	31st March, 2022	31st March, 2021	31st March, 2021
	Level 1	Level 2	Level 1	Level 2
Assets measured at fair value				
Investments in unquoted Mutual Funds measured at FVTPL	-	260.53	-	174.79
Financial investments - In Treasury bills at FVTPL	34.68	-	-	-
Asset for which Fair Value are disclosed				
Amortised Cost Financial Investments: - Government Securities	248.09	-	259.90	-
Derivative Instruments designated in hedge accounting relationship				
Derivative Instruments	-	305.44	-	242.61
Total	**282.77**	**565.97**	**259.90**	**417.40**
Derivative Instruments designated in hedge accounting relationship				
Derivative Instruments	-	152.46	-	309.16
Liabilities for which fair values are disclosed				
Borrowings (Including current maturities and Interest Accrued)	15,686.62	12,975.57	14,873.73	12,696.84
Total	**15,686.62**	**13,128.03**	**14,873.73**	**13,006.00**

The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date

The fair value of Derivative instruments is derived using valuation techniques which include forward pricing and swap models using present value calculations.

The Borrowing includes USD bonds which are listed in Singapore Stock Exchange. The fair value of Bonds have been determined based on the prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.

48 Capital Management

The Group's objectives to manage capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, borrowings. The Group's policy is to use borrowings to meet anticipated funding requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended as at 31st March, 2022 and as at 31st March, 2021.

(₹ in Crores)

Particulars	Refer Note	As at 31st March, 2022	As at 31st March, 2021
Total Borrowings (Including Current Maturities of Long Term Debt)	22 & 29	29,814.58	26,960.98
Less: Cash and bank balances	14 & 15	1,492.57	1,289.91
Less: Current Investments	12	296.35	174.79
Net Debt(A)		**28,025.66**	**25,496.28**
Equity Share Capital & Other Equity	19 & 21	6,857.17	6,089.58
Unsecured Perpetual Equity Instrument	20	3,055.65	2,829.70
Total Equity (B)		**9,912.82**	**8,919.28**
Total Equity and Net Debt (C=A+B)		37938.48	34,415.56
Gearing Ratio : (A)/(C)		**0.74**	**0.74**

49 Financial Risk Management Objectives

The Group's principal financial liabilities comprises borrowings, trade and other payables, The main purpose of these financial liabilities is to finance the Group's operations/projects .The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps, Interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations. The Group's risk management activities are subject to the management, direction and control of Central Treasury Team of the Group under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Group. The Group's central treasury team ensures appropriate financial risk governance framework for the Group through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Group is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

In the ordinary course of business, the Group is exposed to Market risk, Credit risk, and Liquidity risk.

49 Financial Risk Management Objectives (Contd.)

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk.

Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to The Group's long-term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended March 31, 2022 would decrease / increase by ₹ 36.51 Crores (previous year ₹ 27.26 crores). This is mainly attributable to interest rates on variable rate borrowings.

The year end balances are not necessarily representative of the average debt outstanding during the year.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group manages its foreign currency risk by hedging transactions that are expected to realise in future.

a) **The Group has taken various derivatives to hedge its foreign exposure. The outstanding position of exposure against variation in interest rates and foreign exchange rate are as under:**

Nature	Purpose	As at 31st March, 2022		As at 31st March, 2021	
		₹ in Crores	Foreign Currency (in Million)	₹ in Crores	Foreign Currency (in Million)
(i) Principal only swaps	Hedging of foreign currency borrowings principal liability Bond 846.25 Million USD, USPP 376.40 Million USD (P.Y. Bond 861.25 Million USD, USPP 388.20 Million USD)	9,266.77	USD 1,222.65	9,134.73	USD 1,249.45
(ii) Forward covers	1a.Hedging of foreign currency borrowing principal:- Bond 706.25 Million USD, USPP Nil (P.Y. Bond 421.25 Million USD, USPP Nil Million USD) 1b.Hedging of foreign currency interest liability	5,794.96	USD 764.58	3,520.03	USD 481.47
	2.Hedging of LC, Acceptances, Creditors and firm commitments	-	-	92.35	USD 12.63
(iii) Cross Currency Swaps	Hedging of foreign currency borrowing principal & interest liability Bond 400 Million USD, Term Loan 116.00 Million USD, ECB 10.60 Million EUR (P.Y. Bond 400 Million USD, Term Loan 175 Million USD,ECB 11.35 Million EUR)	4,000.20	USD 516 EUR 10.60	4,301.18	USD 575 EUR 11.35

49 Financial Risk Management Objectives (Contd.)

Nature	Purpose	As at 31st March, 2022 ₹ in Crores	As at 31st March, 2022 Foreign Currency (in Million)	As at 31st March, 2021 ₹ in Crores	As at 31st March, 2021 Foreign Currency (in Million)
(iv) Options	Hedging of foreign currency borrowing principal & interest liability 1. Bond 300 Million USD, Share holder affiliated debt 282 Million USD (P.Y. Bond 300 Million USD, Share holder affiliated debt 282 Million)	4,411.12	USD 582	4,255.00	USD 582
(v) Coupon only Swaps	Hedging of foreign currency borrowing interest liability	4,547.55	USD 600	4,386.60	USD 600

Note : Group has executed 4 year cross currency swaps derivative contract of USD 300 mn which will be effective from 22 July 2022 to hedge outstanding Sustainability linked bond of USD 300 mn which is not included in above figures.

b) The details of foreign currency exposures not hedged by derivative instruments are as under :

Particulars	As at 31st March, 2022 ₹ in Crores	As at 31st March, 2022 Foreign Currency (in Million)	As at 31st March, 2021 ₹ in Crores	As at 31st March, 2021 Foreign Currency (in Million)
(i) Interest accrued but not due	53.28	USD 7.03	94.75	USD 12.96
(ii) Current financial liabilities	20.69	USD 2.73	-	-
(iii) Import Creditors and Acceptances	110.03	USD 14.52	10.40	USD 1.42
	0.03	EUR 0.00*	0.01	EUR 0.00*

** EUR 3115 (EUR 858)*

A change of 1% in Foreign currency would have following impact on profit before tax

(₹ in Crores)

Particulars	For the Year 2021-22 1% Increase	For the Year 2021-22 1% Decrease	For the Year 2020-21 1% Increase	For the Year 2020-21 1% Decrease
Foreign Currency Sensitivity				
RUPEES / USD - (Increase) / Decrease	(1.63)	1.63	(0.62)	0.62
RUPEES / EUR - (Increase) / Decrease	(0.00)	0.00	(0.00)	0.00

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial losses from default, and generally does not obtain any collateral or other security on trade receivables.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk. Since the Group is an ISTS licensees, the responsibility for billing and collection on behalf of the Group lies with the CTU/STU. Based on the fact that the collection by CTU/STU is from Designated ISTS Customers (DICs) which in majority of the cases are state government organisations and further based on an analysis of the past trends of recovery, the management is of the view that the entire receivables are fully recoverable. Accordingly, the Group does not recognize any impairment loss on its receivables.

49 Financial Risk Management Objectives (Contd.)

Liquidity risk

The Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

The table below analysis derivative and non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in Crores)

As at 31st March, 2022	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings#	4,729.68	11,980.31	26,648.78	43,358.77
Trade Payables	1,607.91	-	32.22	1,640.13
Derivative Liabilities	86.44	66.02	-	152.46
Other financial Liabilities (Including Lease Liability Obligation)	1,490.94	318.00	16.91	1,825.85

(₹ in Crores)

As at 31st March, 2021	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings#	4,637.51	7,927.13	26,166.30	38,730.94
Trade Payables	1,241.01	-	31.93	1,272.94
Derivative Liabilities	163.82	145.34	-	309.16
Other financial Liabilities (Including Lease Liability Obligation)	1,500.45	455.10	27.15	1,982.70

#The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Group. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Derivative Financial Instrument

The Group uses derivatives instruments as part of its management of risks relating to exposure to fluctuation in foreign currency exchange rates and interest rates. The Group does not acquire derivative financial instruments for trading or speculative purposes neither does it enter into complex derivative transactions to manage the above risks. The derivative transactions are normally in the form of forward currency contracts, cross currency swaps, options and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively and are subject to the Group's guidelines and policies.

The fair values of all derivatives are separately recorded in the balance sheet within current and non current assets and liabilities. Derivative that are designated as hedges are classified as current or non current depending on the maturity of the derivative.

The use of derivative can give rise to credit and market risk. The Group tries to control credit risk as far as possible by only entering into contracts with stipulated / reputed banks and financial institutions. The use of derivative instrument is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivative is mitigated by changes in the valuation of underlying assets, liabilities or transactions, as derivatives are used only for risk management purpose.

The Group enters into derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps for hedging the liabilities incurred/ recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts

49 Financial Risk Management Objectives (Contd.)

recognized in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended March 31, 2022.

The fair value of the Group's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows :-

(₹ in Crores)

Derivative Financials Instruments	As at 31st March, 2022		As at 31st March, 2021	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
Call Option	58.10	0.00	137.21	87.50
Cross Currency Swaps	47.39	0.00	30.36	5.91
Interest Rate Swaps	-	6.55	-	-
Coupon Only Swaps	(5.79)	0.00	(3.81)	-
Forward	0.62	79.89	0.08	85.92
Principal Only Swaps	205.12	66.02	78.77	129.83
Total	**305.44**	**152.46**	**242.61**	**309.16**

The Group has executed 4 year cross currency Swaps derivative contract of USD 300 mn which will be effective from 22 July 2022 to hedge outstanding Sustainability linked bond of USD 300 mn which are included in above table.

50 Segment information:-Operating Segments

The reportable segments of the Group are trading activity and providing transmission line service. The segment are largely organised and managed separately according to the organisation structure that is designed based on the nature of service. Operating segments reported in a manner consistent with the internal reporting provided to the Chairman and Managing Director jointly regarded as the Chief Operating Decision Maker ("CODM"). Description of each of the reportable segments for all periods presented, is as under:-

i) Transmission
ii) Trading
iii) GTD Business

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit at the performance indicator for all of the operating segments.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax.

Information regarding the company's reportable segments is presented below:

(₹ in Crores)

Particulars	Transmission	Trading	GTD Business	Elimination	Total
1 Revenue					
External Sales	**3,469.33**	**821.91**	**6,966.28**	**-**	**11,257.52**
	3,122.06	*756.63*	*6,047.64*	-	*9,926.33*
Total Revenue	**3,469.33**	**821.91**	**6,966.28**	**-**	**11,257.52**
	3,122.06	*756.63*	*6,047.64*	-	*9,926.33*

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

50 Segment information:-Operating Segments (Contd.)

(₹ in Crores)

Particulars	Transmission	Trading	GTD Business	Elimination	Total
2 Results					
Segment Results	**2,428.76**	**0.68**	**1,032.05**	**-**	**3,461.49**
	2,191.80	*0.74*	*1,011.75*	*-*	*3,204.29*
Unallocated Corporate Income (Net)					603.95
					532.60
Operating Profit					**4,065.44**
					3,736.89
Less: Finance Expense					**(2,364.95)**
					(2,116.99)
Profit before tax					**1,700.49**
					1,619.90
Current Taxes					**244.23**
					187.01
Deferred Tax					**220.51**
					143.32
Total Tax					**464.74**
					330.33
Profit after tax					**1,235.75**
					1,289.57
Less: Non-Controlling Interests					**(31.14)**
					(65.53)
Net profit					**1,204.61**
					1,224.04
3 Other Information					
Segment Assets	**23,307.33**	**-**	**18,536.67**	**-**	**41,844.00**
	20,595.65	*-*	*17,206.59*	*-*	*37,802.24*
Unallocated Corporate Assets					5,620.11
					5,431.34
Total Assets					**47,464.11**
					43,233.58
Segment Liabilities	**955.63**	**-**	**3,896.11**	**-**	**4,851.74**
	1,141.40	*-*	*3,409.57*	*-*	*4,550.97*
Unallocated Corporate Liabilities					**31,605.87**
					28,659.76
Total liabilities					**36,457.61**
					33,210.73
Depreciation /Amortisation	**773.32**	**-**	**653.83**	**-**	**1,427.15**
	684.32	*-*	*644.56*	*-*	*1,328.88*
Non Cash Expenditure other then Depreciation/ Amortisation	**5.12**	**-**	**18.31**	**-**	**23.43**
	4.62	*-*	*22.52*	*-*	*27.14*
Capital Expenditure	**2,955.43**	**-**	**1,235.43**	**-**	**4,190.86**
	2,760.50	*-*	*1,191.82*	*-*	*3,952.32*

Previous figures are given in italics

Note 1: The business operations of the Group are entirely based in India accordingly the entity has no separate geographical to disclose.

Note 2: Revenue from power distribution companies for allocation of Transmission capacity with which Group has entered into Transmission Service Agreement accounts for more than 10% of Total Revenue.

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

51. Transaction with Struck off Companies

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding (₹ In Crores)	Relation with the struck off company, if any, to be disclosed
As at 31st March, 2022			
Payables			
Silent Sentinels Electrical Consultant Pvt Ltd	Purchase of Service	0.01	Vendor
Receivables			
Ashiana Infrahomes Pvt. Ltd.	Recovery towards capital advances	0.33	Vendor
M S Gem Printers Pvt Ltd	Sale of Power	0.13	Consumer
B B Consulting N Eng Pvt Ltd	Sale of Power	0.01	Consumer
Uday Real Tdrs Pvt.Ltd	Sale of Power	0.01	Consumer
Unilink Tel Services (I) Pvt. Ltd.	Sale of Power	0.02	Consumer
Flex Foot Wear India Pvt. Ltd.	Sale of Power	0.01	Consumer
Kool Dring & Pack Private Limited	Sale of Power	0.02	Consumer
SSV Developeres & Indian Holiday Resort Private Limited	Sale of Power	0.10	Consumer
Others - 361 Parties < 50K	Sale of Power	0.09	Consumer
As at 31st March, 2021			
Payables			
Silent Sentinels Electrical Consultant Pvt Ltd	Purchase of Service	0.01	Vendor
Receivables			
Ashiana Infrahomes Pvt. Ltd.	Recovery towards capital advances	0.68	Vendor
Bharti Infratel Services Limited	Sale of Power	0.04	Consumer
Interjewel Private Limited	Sale of Power	0.02	Consumer
Kunjan Silks Private Limited	Sale of Power	0.01	Consumer
Gem Printers Private Limited	Sale of Power	0.13	Consumer
B.B.Consulting 'N' Engineering Private Limited	Sale of Power	0.01	Consumer
Uday Realtors Private Limited	Sale of Power	0.01	Consumer
Unilink Tele Services (India) Private Limited	Sale of Power	0.02	Consumer
Navdurga Developments Private Limited	Sale of Power	0.01	Consumer
Flex Foot Wear India Pvt. Ltd.	Sale of Power	0.01	Consumer
SSV Developeres & Indian Holiday Resort Private Limited	Sale of Power	0.11	Consumer
Others - 354 Parties < 50K	Sale of Power	0.09	Consumer

52 The Consolidated financial statements for the year ended 31st March, 2022 are not comparable with the previous year, due to following:

Date of acquisition of investment in subsidiaries

Sr. No.	Name of the Entity	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
1	Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited) (KVTL)		25th June, 2020
2	Alipurduar Transmission Limited		26th November, 2020
3	Warora Kurnool Transmission Limited		31st March, 2021
4	MP Power Transmission Package-II Limited	01st November, 2021	
5	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities Private Limited)	15th December, 2021	
6	Karur Transmission Limited	18th January, 2022	
7	Khavda-Bhuj Transmission Limited	18th January, 2022	

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

53 Group has entered into transmission agreements in the nature of Service Concession Arrangements (SCA) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RVPNL) and with Power Grid Corporation of India Limited (PGCIL).

(a) Two agreements for maintaining different transmission lines with RVPNL (Grantor) is to construct & operate an transmission system comprising:-

  (i) A 400 KV Double Circuit transmission line from Suratgarh to Bikaner with a design capacity to transfer electricity equivalent to 1066 MW on Design, Built, Finance, Operate & Transfer (DBFOT) basis having contract for 35 years from the license issued.

  (ii) A 400 KV Double Circuit transmission Line in Bikaner, Sikar with a design capacity to transfer electricity equivalent to 2400 MW on Design, Built, Finance, Operate & Transfer (DBFOT) basis having contract for 25 years from the license issued.

(b) The agreements with PGCIL (Grantor) is to construct & operate an transmission system comprising a 400 KV Double Circuit transmission line in Pune, Aurangabad, Solapur, Kolhapur, Parli, Karad, Lonikhand, Kalwa, Limbdi, Vadavi, Kansari, Rajgarh and Karamsad with a design capacity to transfer electricity equivalent to 3600 MW on Design, Built, Finance, Operate & Transfer (DBFOT) basis having contract for 25 years. The service concession arrangement provides an option for extension of the concession period. Upon completion of concession period or on termination of agreement, Transmission Lines will vest with the grantor free and clear of all encumbrances. Financial assets is created on the basis of Present values of future Cash Flows. No intangible assets is created for this SCA accounting.

Financial summary of above concession arrangement are given below:

(₹ in Crores)

Sr. No.	Particulars	Transmission Lines	
		FY 2021-22	FY 2020-21
1	SCA Revenue Recognised	143.73	150.71
2	Profit for the year	69.32	53.96

54 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on 31st March 2022	₹ in Crores	As % of Consolidated Profit or Loss for the year ended 31st March 2022	₹ in Crores	As % of Consolidated Other Comprehensive Income for the year ended 31st March 2022	₹ in Crores	As % of Consolidated Total Comprehensive Income for the year ended 31st March 2022	₹ in Crores
1	Adani Transmission Limited	23.88%	3,976.81	-5.18%	(64.61)	47.86%	(120.47)	-18.59%	(185.08)
	Subsidiaries (Indian)								
2	Maharashtra Eastern Grid Power Transmission Company Limited	18.38%	3,060.70	45.15%	563.23	0.17%	(0.43)	56.52%	562.80
3	Adani Transmission (India) Limited	15.05%	2,506.44	22.12%	275.93	0.02%	(0.06)	27.71%	275.87
4	Sipat Transmission Limited	0.67%	110.89	2.42%	30.16	-0.53%	1.34	3.16%	31.50
5	Raipur-Rajnandgaon-Warora Transmission Limited	1.48%	245.77	5.31%	66.30	-1.17%	2.95	6.95%	69.25
6	Chhattisgarh-WR Transmission Limited	1.06%	177.22	4.01%	50.07	-0.85%	2.13	5.24%	52.20
7	Adani Transmission (Rajasthan) Limited	0.15%	25.35	0.50%	6.28	-	(0.00)	0.63%	6.28
8	North Karanpura Transco Limited	0.20%	32.82	0.32%	3.97	0.00%	(0.01)	0.40%	3.96
9	Maru Transmission Service Company Limited	0.14%	23.49	0.16%	2.04	0.00%	(0.01)	0.20%	2.03

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on 31st March 2022	₹ in Crores	As % of Consolidated Profit or Loss for the year ended 31st March 2022	₹ in Crores	As % of Consolidated Other Comprehensive Income for the year ended 31st March 2022	₹ in Crores	As % of Consolidated Total Comprehensive Income for the year ended 31st March 2022	₹ in Crores
10	Aravali Transmission Service Company Limited	0.01%	1.33	0.26%	3.27	0.17%	(0.42)	0.29%	2.85
11	Western Transco Power Limited	1.15%	192.32	1.97%	24.56	0.00%	(0.00)	2.47%	24.56
12	Western Transmission (Gujarat) Limited	0.80%	132.99	1.17%	14.54	0.00%	0.00	1.46%	14.54
13	Hadoti Power Transmission Service Limited	0.47%	77.45	1.87%	23.29	-0.14%	0.36	2.37%	23.65
14	Barmer Power Transmission Service Limited	0.39%	64.39	1.51%	18.88	-0.10%	0.25	1.92%	19.13
15	Thar Power Transmission Service Limited	0.33%	54.71	1.33%	16.58	-0.10%	0.24	1.69%	16.82
16	Fatehgarh-Bhadla Transmission Limited	0.08%	12.75	-1.00%	(12.45)	0.00%	0.00	-1.25%	(12.45)
17	Ghatampur Transmission Limited	1.11%	185.39	1.85%	23.11	0.01%	(0.03)	2.32%	23.08
18	Adani Transmission Bikaner Sikar Private Limited	0.36%	60.16	0.69%	8.59	-	-	0.86%	8.59
19	OBRA-C Badaun Transmission Limited	0.42%	69.81	1.16%	14.48	0.00%	(0.00)	1.45%	14.48
20	Adani Electricity Mumbai Limited	28.19%	4,694.81	9.79%	122.16	54.70%	(137.70)	-1.56%	(15.56)
21	AEML Infrastructure Limited	0.00%	(0.01)	0.00%	(0.00)	-	-	0.00%	(0.00)
22	Bikaner-Khetri Transmission Limited	0.91%	151.23	0.34%	4.25	0.01%	(0.01)	0.43%	4.23
23	WRSS XXI (A) Transco Limited	0.00%	(0.18)	0.02%	0.21	-0.09%	0.24	0.04%	0.45
24	Lakadia Banaskantha Transco Limited	0.00%	(0.42)	0.04%	0.53	-0.02%	0.06	0.06%	0.58
25	Jam Khambaliya Transco Limited	0.12%	20.12	0.00%	0.01	0.00%	0.00	0.00%	0.01
26	Arasan Infra Private Limited	0.00%	(0.33)	0.00%	(0.05)	0.00%	-	-0.01%	(0.05)
27	Sunrays Infra Space Private Limited	-0.01%	(1.15)	-0.06%	(0.78)	0.00%	-	-0.08%	(0.78)
28	Power Distribution Services Limited	0.02%	3.81	0.15%	1.92	0.00%	-	0.19%	1.92
29	Adani Electricity Mumbai Infra Limited	0.63%	104.65	0.00%	(0.00)	0.03%	(0.08)	-	(0.08)
30	Alipurduar Transmission Limited	1.54%	257.92	3.36%	42.04	0.00%	(0.00)	4.22%	42.04
31	Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited) (KVTL)	0.00%	(0.82)	0.00%	(0.02)	0.01%	(0.04)	-0.01%	(0.06)
32	Warora Kurnool Transmission Limited	2.08%	345.82	0.19%	2.42	0.01%	(0.01)	0.24%	2.40
33	AEML Seepz Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
34	Adani Trans Step One Limited	0.00%	(0.01)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on 31st March 2022	₹ in Crores	As % of Consolidated Profit or Loss for the year ended 31st March 2022	₹ in Crores	As % of Consolidated Other Comprehensive Income for the year ended 31st March 2022	₹ in Crores	As % of Consolidated Total Comprehensive Income for the year ended 31st March 2022	₹ in Crores
35	MP Power Transmission Package-II Limited	-0.01%	(1.31)	-0.04%	(0.48)	0.00%	-	-0.05%	(0.48)
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)	0.42%	70.64	0.70%	8.70	0.01%	(0.02)	0.87%	8.68
37	Karur Transmission Limited	0.00%	(0.01)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
38	Khavda-Bhuj Transmission Limited	0.00%	0.00	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
39	ATL HVDC Limited	-0.01%	(1.57)	-0.13%	(1.58)	0.00%	-	-0.16%	(1.58)
	Total	**100%**	**16,653.99**	**100%**	**1,247.51**	**100%**	**(251.73)**	**100%**	**995.74**
	Less: Adjustment of Consolidation		**6,741.17**		**11.74**				**11.74**
	Add: Non Controlling Interest		**1,093.68**		**31.14**		**(34.56)**		**(3.42)**
	Consolidated Net Assets/ Profit after tax		**11,006.50**		**1,204.61**		**(217.19)**		**987.42**

55 As per Ind AS 19 "Employee Benefits", the disclosures are given below.

(a) Defined Contribution Plan

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

- Employer's contribution to Employees' state insurance
- Employers' Contribution to Employees' Pension Scheme 1995

The Group has recognised the following amounts as expense in the financial statements for the year:

(₹ in Crores)

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Contribution to Provident Fund	47.54	41.35
Contribution to Employees Superannuation Fund	7.98	7.98
Contribution to Employees Pension Scheme	6.89	6.90
Total	**62.41**	**56.23**

(b) Defined Benefit Plan

The Group has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy with effect from September 01, 2010 for future payment of gratuity to the employees.

Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset – liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

55 As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd.)

The Group operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19:

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	667.91	654.50
Current Service Cost	38.65	36.85
Interest Cost	45.83	44.71
Re-measurement (or Actuarial) (gain) / loss arising from :		
- Change in demographic assumptions	11.65	6.91
- Change in financials assumptions	22.35	(1.18)
- Experience variance (i.e. Actual experience vs assumptions)	(51.53)	(41.08)
Acquisition Adjustment/Other adjustment	0.42	0.25
Benefits paid	(30.63)	(37.34)
Net Actuarial loss / (gain) Recognised		
Liabilities Transfer In/Out	(1.39)	4.29
Present Value of Defined Benefit Obligations at the end of the Year	**703.26**	**667.91**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets		
Fair Value of Plan assets at the beginning of the Year	487.19	491.10
Investment Income	33.45	33.59
Contributions	1.08	0.95
Benefits paid	(30.32)	(37.34)
Return on plan assets, excluding amount recognised in net interest expenses	(1.15)	(1.11)
Planned Asset Acquired on Business Acquisition		
Acquisition Adjustment/Other adjustment	0.42	-
Fair Value of Plan assets at the end of the Year	**490.67**	**487.19**
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	703.26	667.91
Fair Value of Plan assets at the end of the Year	(490.67)	(487.19)
Net Asset / (Liability) recognized in balance sheet as at the end of the year	**(212.59)**	**(180.72)**
iv. Composition of Plan Assets		
100% of Plan Assets are administered by LIC	-	-

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

55 As per Ind AS 19 “Employee Benefits”, the disclosures are given below. (Contd.)

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
v. Gratuity Cost for the Year		
Current service cost	38.65	36.85
Interest cost	45.83	44.71
Expected return on plan assets	(33.45)	(33.59)
Net Gratuity cost recognised in the statement of Profit and Loss	**51.03**	**47.97**
vi. Other Comprehensive Income		
Actuarial (gains) / losses		
Change in demographic assumptions	11.65	6.91
Change in financial assumptions	22.35	(1.18)
Experience variance (i.e. Actual experiences assumptions)	(51.53)	(41.08)
Return on plan assets, excluding amount recognised in net interest expense	1.15	1.11
Components of defined benefit costs recognised in other comprehensive income	**(16.37)**	**(34.24)**
vii. Actuarial Assumptions		
Discount Rate (per annum)	6.90% to 6.98%	6.7% to 6.84%
Annual Increase in Salary Cost (per annum)	8.00% to 10.25%	8.00% to 9.75%

viii. Asset – Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

(c) Sensitivity analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

	Change in assumption			Increase in assumption			Decrease in assumption	
	31st March, 2022	31st March, 2021		31st March, 2022	31st March, 2021		31st March, 2022	31st March, 2021
Discount rate	1.00%	1.00%	Decrease by	84.68	73.20	Increase by	73.38	63.16
Salary Growth Rate	1.00%	1.00%	Increase by	79.11	70.00	Decrease by	73.09	61.52
Attrition Rate	0.50%	0.50%	Decrease by	35.37	14.21	Increase by	32.04	20.04
Mortality Rate	10.00%	10.00%	Increase by	21.12	9.08	Decrease by	21.14	9.09

56 The Group has adopted Ind AS 115 using the cumulative effect method (without practical expedients) with the effect of initially applying this standard recognised at the date of initial application i.e. 1st April, 2018. Accordingly, the comparative information i.e. information for the year ended 31st March 2018, has not been restated. The adoption of the standard did not have any material impact on the financial statements of the Group. Additionally, the disclosure requirements in Ind AS 115 have not generally been applied to comparative information.

Contract balances:

(a) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade receivables (Gross) (Refer note 13)	1,082.73	1024.98
(Less): Allowance for Doubtful Debts (Refer note 13)	(11.89)	(11.44)
Trade receivables (Net) (Refer note 13)	1,070.84	1,013.54
Contract assets (Refer note 8 & 17)	1,887.89	1,425.43
Contract liabilities (Refer Note 31 & 32)	209.27	71.57

The contract assets primarily relate to the Group right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the Customer. The contract liabilities primarily relate to the advance consideration received from the customers.

(b) Significant changes in contract assets and liabilities during the period:

(₹ in Crores)

Particulars		For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Opening Balance			
Recoverable from consumers		-	-
Liabilities towards consumers		6.53	28.50
	(A)	**6.53**	**28.50**
Income to be adjusted in future tariff determination in respect of earlier year		-	(9.55)
Income to be adjusted in future tariff determination (Net)		(3.59)	(12.42)
Closing Balance	**(B)**	**(3.59)**	**(21.97)**
Recoverable from consumers		-	-
Liabilities towards consumers		2.94	6.53
Contract assets reclassified to receivables	**(A+B)**	**2.94**	**6.53**

Significant changes in contract assets and liabilities during the period:

(₹ in Crores)

Particulars	For the Year ended 31st March, 2022	For the year ended 31st March, 2021
Revenue as per contracted price	10,404.85	9,173.68
Adjustments		
Discounts	42.22	37.32
Revenue from contract with customers	**10,362.63**	**9,136.36**

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

57 Regulatory Deferral Account

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Regulatory Deferral Account - Liability		
Regulatory Liabilities	271.56	271.56
Regulatory Deferral Account - Assets		
Regulatory Assets	1,124.02	439.45
Net Regulatory Assets/(Liabilities)	**852.46**	**167.89**

Rate Regulated Activities

1 As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission (MERC), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.

2 MERC Multi Year Tariff Regulations, 2015 (MYT Regulations), is applicable for the period beginning from 1 April, 2016 to 31st March, 2020.

MERC Multi Year Tariff Regulations, 2019 (MYT Regulations), is applicable for the period beginning from 1 April, 2020 to 31st March, 2024. These regulations require MERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

3 Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

(₹ in Crores)

S. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
A	**Opening Regulatory Assets (Net)**	167.89	(256.60)
	Add:		
B	Acquired on Business Combination(Net)	2.10	-
1	For Current Year	682.47	582.81
2	For Earlier Year	-	-
	Total C (1 + 2)	**682.47**	**582.81**
	Less:		
D	Recovered / (refunded) during the year*	-	158.32
E	Net Movement during the year (C - D)	682.47	424.49
F	**Closing Balance (A + B+ E)**	**852.46**	**167.89**

*Includes ₹ 143.98 Crores recovered during FY 2020-21 on account of final truing up for FY 2017-18 and FY 2018-19

58 (i) Impairment testing of intangible Assets

In accordance with the requirements of Ind AS 36 "Impairment of Assets", AEML has as at 31st March, 2022, tested the Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License (₹ 981.62 crores) having indefinite useful life for impairment. The recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 8.75 % (31st March 2021: 8.75%) per annum has been used. In arriving at the recoverable amount of the TCGU , financial projections have been developed for 6 years (31st March 2021: 6 years) and thereafter in perpetuity considering a terminal growth rate of 1.5% (31st March 2021: 2%) per annum.

Based on the results of the TCGU impairment test, the estimated value in use of the TCGU was higher than its carrying amount, hence impairment provision recorded during the current year is ₹ Nil (31st March 2021 - ₹ Nil).

58 (i) Impairment testing of intangible Assets (Contd.)

Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the fair value of the Transmission License.

The key assumptions used in determining the recoverable amount of TCGU are as follows

Discount Rate: 9.10 % (31st March 2021: 8.75 %) Post-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations.

Capital expenditure / Capitalisation: Capital expenditure and capitalisation for 6 years (31st March 2021: 6 years) is estimated based on management projections subject to regulatory approval and thereafter ₹ 500 crores per annum (31st March 2021: ₹ 325 crores per annum).

(ii) Goodwill

(₹ in Crores)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at beginning of the year	592.88	592.09
Arising on account of business combination	5.41	0.79
Balance at end of the year	**598.29**	**592.88**

Impairment testing of Goodwill

The group tests on a annual basis, goodwill arising on business combination amounting to ₹ 576.02 Crores for March, 2022 (₹ 576.02 crores for March 2021) which has been allocated to the respective Cash Generating Unit ("CGU")(ATIL, MEGPTCL and AEML) for impairment. Based on the annual impairment test no provision towards impairment was required necessary.

The recoverable amounts of the CGUs are determined from value-in-use calculations and the projections based on the period of the transmission and distribution licenses (including expected extensions)

The key assumptions for the value-in-use calculations are those regarding discount rates, growth rates, capital expenditure, and expected increase in direct costs . Management estimates discount rates using post-tax rates that reflect current market assessments of the time value of money. The growth rates are based on management's forecasts/ tariff regulations. Changes in direct costs are based on past practices and expectations of future changes in the market.

The Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates per respective tariff regulation wherein the revenue is determined considering the parameters/benchmarks laid down in the respective MERC/CERC tariff regulations.

The rates used to discount the forecasts is 8.43% to 12.04% p.a (Post Tax)

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

59 (a) During the previous year Maharashtra Eastern Grid Power Transmission Company Limited ("MEGPTCL"), a wholly Owned Subsidiary had received MERC order vide dated 03rd June, 2021 and has given impact to the Hon'ble APTEL Judgment in the matter of Appeal No. 260 of 2016 dated 24th July, 2020, revised the Annual Revenue Requirement (ARR) of MEGPTCL retrospectively effective from 1st April, 2013 and directed MEGPTCL to claim the incremental ARR (including the related carrying cost) during the Mid Term Review (MTR) in FY 2023-24.

Consequent to the above MERC order, during the year ended 31st March, 2022 MEGPTCL has recognized additional revenue from operations of ₹ 303.72 Crores for the period April, 2014 to March, 2021 and recognized ₹ 91.93 Croresfor the year ended April, 2021 to March, 2022. .

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

(b) During the year, Central Electricity Regulatory Commission ("CERC") vide it's order dated January 21, 2022, has partly disallowed certain expenses (interest and depreciation) in relation to truing up tariff petition for the control period 2015-19 and tariff determination petition for the control period 2020-24 filed by Adani Transmission (India) Limited ("ATIL"), a wholly owned subsidiary of the Company. The Management has, basis an external legal opinion, assessed that it has reasonably good case on merits in the light of the prevailing Tariff Regulations, settled principles of law as per earlier judicial precedence and, is in the process of preferring an appeal in Appellate Tribunal for Electricity against such CERC order. Having regard to the above, the disallowances aggregating to ₹ 62.79 Crore up to 31st March, 2022 are not reckoned with in the financial statement.

60 (A) Non Controlling Interests (NCI)

Summary of financial information for a subsidiary (AEML) that has non-controlling interests that are material to the Group. The amounts disclosed for a subsidiary are before inter-company eliminations.

(₹ in Crores)

Summarised Balance Sheet	31st March, 2022	31st March, 2021
Total Non-current Assets	17,689.77	16,744.71
Total Current Assets	2,206.70	2,698.13
Regulatory Deferral Account - Assets	1,121.92	439.45
Total Assets	**21,018.39**	**19,882.29**
Non-current Liabilities	13,094.76	11,620.18
Current Liabilities	2,852.62	3,280.20
Regulatory Deferral Account - Liabilities	271.56	271.56
Total Liabilities	**16,218.94**	**15,171.94**
Accumulated NCI	**1,204.66**	**1,182.30**

(₹ in Crores)

Summarised statement of Profit and Loss	31st March, 2022	31st March, 2021
Profit /(Loss) for the year	122.15	259.17
Other Comprehensive Income / (Loss) for the year	(137.77)	(73.15)
Total Comprehensive Income /(Loss) for the year	(15.62)	186.02
Profit/(Loss) Allocated to NCI	**30.66**	**65.05**
Total Comprehensive Income /(Loss) allocated to NCI	**(3.92)**	**46.69**

(₹ in Crores)

Summarised Cash Flow allocated	31st March, 2022	31st March, 2021
Net cash from operating activities for the year	1,472.01	1,406.27
Net cash (used in) investing activities for the year	(833.27)	(1,052.61)
Net cash from financing activities for the year	(701.06)	(323.94)
Net (decrease) in cash and cash equivalents	**(62.32)**	**29.72**

(B) Transaction with Non Controlling Interests

(₹ in Crores)

Particulars	31st March, 2022	31st March, 2021
Interest expense on Sub debt	134.47	131.87

(₹ in Crores)

Closing balance	31st March, 2022	31st March, 2021
Subordinate debt payable	2,137.35	2,061.70
Interest accrued but not due on Sub debt	53.28	51.40

61 Group has acquired the control of the Company w.e.f. 29 August, 2018, through its purchase from Reliance Infrastructure Limited ("RINFRA"), of the equity shares of the Company. In accordance with Share Purchase Agreement, any incremental adjustment, arising as a result of the MERC MYT order for the period 1 April, 2017 to 28 August, 2018 is to the account of R-infra. MERC in its MYT order has provided for recovery of certain regulatory assets in subsequent years subject to final truing up adjustments.

Such recoverable amounts are mainly on account of various components such as annual surplus, capex disallowances, MAT credit etc. Pending final truing up by MERC, the amount recoverable from RINFRA have not been accounted for as at 31 March, 2022 and would be accounted for as and when such amount is finally determined.

62 During the year, Adani Transmission Limited (the Parent Company)

i) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, Karur Transmission Limited (KTL), incorporated by PFC Consulting Ltd. KTL will build, own, operate and maintain the transmission project in Tamil Nadu for a period of 35 years. This Project comprises of 2x500MVA, 400/230 kV Karur Pooling Station (at location between Karur Wind Energy Zone and Tiruppur Wind Energy Zone) LILO of both circuits of Pugalur – Pugalur (HVDC) 400 kV D/c line at Karur PS, this acquisition accounted as Assets Acquisition.

ii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, Khavda-Bhuj Transmission Limited (KBTL), incorporated by PFC Consulting Ltd. KBTL will build, own, operate and maintain the transmission project in Gujarat for a period of 35 years. This Project comprises of 220 ckt km of transmission line connecting Khavda pooling station with Bhuj pooling station 4,500 MVA, 765 kV Gas Insulated Substation at Khavda, this acquisition accounted as Assets Acquisition.

iii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, MP Power Transmission Package-II Limited (MP Power), incorporated by REC Power Development and Consultancy Limited. MP Power will build, own, operate and maintain the transmission project in Madhya Pradesh for a period of 35 years. This Project comprises of approximately 850 ckt km of Transmission Lines & Air Insulated Substations of various voltage levels (220kV and 132kV) in 18 Districts of Madhya Pradesh, this acquisition accounted as Assets Acquisition.

(iv) Signed to Share Purchase Agreement dated 15th December, 2021 entered into between Group and Adani Ports and Special Economic Zone Limited (APSEZ), during the year acquired 100% stake in MPSEZ Utilities Limited ("MUL") for an upfront cash consideration of ₹ 116.27 Crores. MUL was incorporated primarily to provide the facility of distribution of electricity, effluent & sewage treatment in Mundra SEZ area, Kutch, Gujarat spread across 8,481 hectares as a distribution licensee. this acquisition accounted as Business Combination

(A) Summary of assets acquired and liabilities assumed as part of Assets acquisition when compared to the consideration paid is as below:

Net amount of Assets and Liabilities

(₹ in Crores)

Particulars	Karur Transmission Limited	Khavda-Bhuj Transmission Limited	MP Power Transmission Package-II Limited
Assets			
Non-current assets			
Capital Work-In-Progress	6.24	14.82	5.21
	6.24	**14.82**	**5.21**
Current assets			
Cash and cash equivalents	0.01	0.01	0.00
Other current assets	-	-	0.91
	0.01	**0.01**	**0.91**
Total Assets (i)	**6.25**	**14.83**	**6.12**
Total Liabilities (ii)	**-**	**-**	**-**
Net Assets (i-ii)	**6.25**	**14.83**	**6.12**

62 During the year, Adani Transmission Limited (the Parent Company) (Contd.)

Consideration Transferred :

(₹ in Crores)

Particulars	Karur Transmission Limited	Khavda-Bhuj Transmission Limited	MP Power Transmission Package-II Limited
Consideration Paid	6.25	14.83	6.12

B (a) **Fair value of assets acquired and liabilities recognised at the date of acquisition on account of Business Combination:**

(₹ in Crores)

Particulars	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)
Assets	
Non-current assets	
Property, Plant and Equipment	94.88
Capital Work-In-Progress	3.65
Right of Usage	9.88
Intangible assets	51.36
Financial Assets	
Loans	4.60
Other financial assets	0.00
Income Tax Assets (net)	0.37
Other non-current assets	15.80
	180.54
Current assets	
Inventories	0.56
Financial Assets	
Investments	0.00
Trade Receivable	0.05
Cash and cash equivalents	11.63
Loan	0.03
Other financial assets	17.39
Other current assets	4.63
	34.29
Regulatory Deferral Account - Asset	**2.10**
Total Assets (i)	**216.93**
Non-current liabilities	
Lease Liabilities	4.51
Provisions	0.18
Deferred Tax Liabilities (Net)	33.85
Other Non Current Liabilities	45.07
	83.61

62 During the year, Adani Transmission Limited (the Parent Company) (Contd.)

(₹ in Crores)

Particulars	**MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)**
Current liabilities	
Financial liabilities	
Trade Payables	16.53
Other financial liabilities	5.37
Other Current Liabilities	0.30
Short-term provisions	0.08
Income Tax Liabilities (net)	0.18
	22.46
Total Liabilities(ii)	**106.07**
Net Assets (i-ii)	**110.86**

All the above identified assets, liabilities and contingent liabilities have been recorded at their provisional fair values in accordance with IND AS 103 Business Combinations.

(b) Goodwill arising from acquisition :

(₹ in Crores)

Particulars	**MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)**
Consideration Paid	116.27
Less : Fair value of net assets (i-ii)	110.86
Goodwill/(Capital Reserve)	**5.41**

Note : Goodwill is not tax deductible.

(c) Net cash outflow on acquisition :

(₹ in Crores)

Particulars	**MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)**
Total Consideration paid during the year	116.27
Total	**116.27**

(d) As if these companies where acquired on 1st April, 2021, the profitability would have been Increased by ₹ 14.68 crores as per below table :-

(₹ in Crores)

Particulars	**MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)**
Profitability Increase/(Decrease)	**14.68**

e) Impact of acquisition on the results of the Group: 8.85 Crores

Notes to Consolidated Financial Statements for the year ended 31st March, 2022

62 During the year, Adani Transmission Limited (the Parent Company) (Contd.)

f) The results of these subsidiaries, after elimination of inter company transactions and balances, as included in the consolidated financial statements for the year ended 31st March, 2022 are given below:

(₹ in Crores)

Particulars	As at 31st March, 2022 MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)
ASSETS	
Non-current Assets	
Property, Plant and Equipment	96.15
Right of Usage	9.77
Capital Work-In-Progress	2.45
Intangible Assets	51.36
Income Tax Assets (net)	0.32
Other Non-current Assets	16.97
Total Non-current Assets	**177.02**
Current Assets	
Inventories	0.21
Financial Assets	
(i) Investments	0.00
(ii) Trade Receivables	3.39
(iii) Cash and Cash Equivalents	0.18
(iv) Bank balance other than cash and cash equivalents	0.00
(v) Loans	-
(vi) Financial Assets - Others	0.87
Other Current Assets	22.75
Total Current Assets	**27.41**
Regulatory Deferral Account	2.10
Total	**206.53**
Liabilities	
Non-current Liabilities	
Lease Liabilities	4.59
Provisions	0.08
Other Non Current Liabilities	44.78
Deferred Tax Liabilities (Net)	33.42
Total Non-current Liabilities	**82.87**
Current Liabilities	

62 During the year, Adani Transmission Limited (the Parent Company) (Contd.)

(₹ in Crores)

Particulars	As at 31st March, 2022
	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)
Financial Liabilities	
(i) Trade Payables	20.81
(ii) Other Financial Liabilities	7.56
Provisions	0.03
Other Current Liabilities	0.41
Current Tax Liabilities	1.41
Total Current Liabilities	**30.22**
Total	**113.09**

(₹ in Crores)

Particulars	For the Period
	1st January 2022 to 31st March 22
Total Revenue	**58.24**
Total Expenses	**(47.89)**
Profit / (Loss) before tax	**10.35**
Tax	**1.50**
Profit / (Loss) after tax	**8.85**

63 Other Disclosures

(i) Due to outbreak of COVID-19 globally and in India, the Group's management has made initial assessment of impact on business and financial risks on account of COVID-19. Considering that the Group is in the business of Generation, Transmission and Distribution of Power which is considered to be an Essential Service, the management believes that the impact of this outbreak on the business and financial position of the Group will not be significant. The management does not see any risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due.

(ii) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company and its subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company and its subsidiaries will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

(iii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or its subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iv) No funds have been received by the Parent or its subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

64 Subsequent Event

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of consolidated financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the consolidated financial statements. As of 05th May, 2022, there are no subsequent events to be recognized or reported that are not already disclosed.

65 The Consolidated Financial Statements for the year ended 31st March, 2022 have been approved by the Audit Committee and approved by the Board of Directors at their meetings held on 05th May, 2022.

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI	**RAJESH S. ADANI**	**ANIL SARDANA**	**ROHIT SONI**	**JALADHI SHUKLA**
Chairman	Director	Managing Director and Chief Executive Officer	Chief Financial Officer	Company Secretary
DIN: 00006273	DIN: 00006322	DIN: 00006867		

Date : 5th May, 2022

Form No. AOC-I

Salient features of the financial statement of subsidiaries as per Companies Act, 2013

PART "A" : Subsidiaries

(₹ in Crores)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus[1]	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Adani Transmission (India) Limited	2021-22	₹	110.05	-	-	2,396.39	3,714.72	1,208.28	11.20	769.64	334.31	29.21	305.10	-	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	2021-22	₹	707.50	-	-	2,353.20	5,395.99	2,335.29	59.33	1,340.16	682.54	119.80	562.74	-	100%
3	Sipat Transmission Limited	2021-22	₹	44.00	-	-	66.89	645.80	534.91	13.52	98.75	40.65	10.49	30.16	-	100%
4	Raipur-Rajnandgaon-Warora Transmission Limited	2021-22	₹	91.10	-	-	154.67	1,471.49	1,225.72	37.15	226.32	89.22	22.92	66.30	-	100%
5	Chhattisgarh-WR Transmission Limited	2021-22	₹	68.00	-	-	109.22	1,113.51	936.29	30.45	170.07	67.20	17.13	50.07	-	100%
6	Adani Transmission (Rajasthan) Limited	2021-22	₹	8.50	-	-	16.85	153.46	128.10	12.49	21.18	8.45	2.16	6.28	-	100%[3]
7	North Karanpura Transco Limited	2021-22	₹	0.05	-	31.57	1.20	503.51	470.69	-	15.81	4.30	0.33	3.97	-	100%
8	Maru Transmission Service Company Limited	2021-22	₹	8.94	-	-	14.55	207.29	183.80	8.15	34.65	9.23	7.19	2.04	-	100%
9	Aravali Transmission Service Company Limited	2021-22	₹	5.23	-	-	(3.90)	127.58	126.25	13.69	21.67	3.27	-	3.27	-	100%
10	Western Transco Power Limited	2021-22	₹	10.00	-	-	182.32	611.97	419.65	14.07	64.07	32.07	7.51	24.56	-	100%
11	Western Transmission (Gujarat) Limited	2021-22	₹	10.00	-	-	122.99	356.27	223.28	11.51	35.77	19.65	5.11	14.54	-	100%
12	Hadoti Power Transmission Service Limited	2021-22	₹	10.00	-	-	67.45	239.48	162.03	28.08	48.63	31.78	8.49	23.29	-	100%
13	Barmer Power Transmission Service Limited	2021-22	₹	8.00	-	-	56.39	183.69	119.31	22.49	38.94	25.61	6.73	18.88	-	100%
14	Thar Power Transmission Service Limited	2021-22	₹	7.00	-	-	47.71	160.92	106.20	19.61	34.93	22.19	5.61	16.58	-	100%
15	Fatehgarh-Bhadla Transmission Limited	2021-22	₹	25.50	-	-	(12.75)	625.27	612.52	10.85	33.24	(12.45)	0.00	(12.45)	-	100%
16	Adani Electricity Mumbai Limited	2021-22	₹	4,020.82	-	-	673.99	20,795.79	16,100.98	229.48	6,908.94	271.12	148.96	122.16	-	74.90%
17	Ghatampur Transmission Limited	2021-22	₹	119.36	-	38.94	27.09	1,647.27	1,461.88	13.65	174.51	39.18	16.07	23.11	-	100%
18	Adani Transmission Bikaner Sikar Private Limited	2021-22	₹	10.00	-	-	50.16	238.44	178.27	8.16	28.34	11.54	2.95	8.59	-	100%[4]
19	OBRA-C Badaun Transmission Limited	2021-22	₹	55.50	-	-	14.31	737.35	667.54	16.68	67.00	18.43	3.95	14.48	-	100%
20	AEML Infrastructure Limited	2021-22	₹	0.01	-	-	(0.02)	7.75	7.76	-	-	(0.01)	-	(0.01)	-	100%

Form No. AOC-I

Salient features of the financial statement of subsidiaries as per Companies Act, 2013

PART "A" : Subsidiaries

(₹ in Crores)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus[1]	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
21	Bikaner Khetri Transmission Limited[2]	2021-22	₹	54.00	37.67	55.80	3.77	925.86	812.29	22.38	76.17	9.01	4.76	4.25	-	100%
22	WRSS XXI (A) Transco Limited[2]	2021-22	₹	0.05	-	-	(0.23)	852.60	852.78	18.64	-	0.30	0.09	0.21	-	100%
23	Lakadia Banaskantha Transco Limited2	2021-22	₹	0.05	-	-	(0.47)	1,023.95	1,024.37	141.60	-	0.68	0.15	0.53	-	100%
24	Jam Khambhaliya Transco Limited[2]	2021-22	₹	21.25	-	-	(1.13)	295.47	275.35	6.50	-	0.01	-	0.01	-	100%
25	Arasan Infra Private Limited	2021-22	₹	0.01	-	-	(0.34)	1.73	2.06	-	-	(0.05)	-	(0.05)	-	100%
26	Sunrays Infra Space Private Limited	2021-22	₹	0.01	-	-	(1.16)	216.28	217.43	-	26.37	(0.78)	-	(0.78)	-	100%
27	Power Distribution Services Limited	2021-22	₹	0.01	-	-	3.80	16.28	12.47	-	12.71	2.56	0.64	1.92	-	74.90%
28	Adani Electricity Mumbai Infra Limited	2021-22	₹	0.01	-	104.72	(0.08)	222.66	118.01	-	-	(0.00)	-	(0.00)	-	74.90%
29	Alipurduar Transmission Limited	2021-22	₹	55.63	-	-	202.28	1,203.22	945.30	12.10	164.32	56.34	14.30	42.04	-	100%[5]
30	Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited) (KVTL)	2021-22	₹	0.05	-	-	(0.87)	737.69	738.50	-	-	(0.02)	-	(0.02)	-	100%
31	Warora-Kurnool Transmission Limited	2021-22	₹	537.00	-	186.07	(377.25)	1,932.32	1,586.51	-	6.38	2.42	-	2.42	-	100%
32	Adani Transmission Step One Limited	2021-22	₹	0.01	-	-	(0.02)	0.50	0.52	-	54.82	(0.02)	-	(0.02)	-	100%
33	AEML Seepz Limited	2021-22	₹	0.01	-	-	(0.00)	0.06	0.06	-	-	(0.00)	-	(0.00)	-	74.90%
34	MP Power Transmission Package-II Limited	1st November, 2021 31st March, 2022	₹	0.05	-	-	(1.36)	19.17	20.49	-	-	(0.48)	-	(0.48)	-	100%
35	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)	1st January, 2022 31st March, 2022	₹	13.14	-	-	57.50	150.31	79.69	0.00	216.37	26.46	0.50	25.96	-	100%
36	Karur Transmission Limited	18th January, 2022 31st March, 2022	₹	0.01	-	-	(0.02)	6.38	6.40	-	-	(0.01)	-	(0.01)	-	100%
37	Khavda-Bhuj Transmission Limited	18th January, 2022 31st March, 2022	₹	0.01	-	-	(0.01)	15.16	15.17	-	-	(0.01)	-	(0.01)	-	100%
38	ATL HVDC Limited	16th June, 2021 31st March, 2022	₹	0.01	-	-	(1.58)	103.70	0.01	-	5.17	(1.58)	-	(1.58)	-	100%

Form No. AOC-I

Salient features of the financial statement of subsidiaries as per Companies Act, 2013

1. Reserves & Surplus includes Other Comprehensive Income
2. Date of Acquisition by the company:

   MP Power Transmission Package-II Limited - 01st November, 2021

   MPSEZ Utility Limited - 15th December, 2021

   Karur Transmission Limited - 18th January, 2022

   Khavda-Bhuj Transmission Limited - 18th January, 2022
3. Adani Transmission (Rajasthan) Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPNL.
4. Adani Transmission Bikaner Sikar Private Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPNL.
5. During the year 2020-21, Adani Transmission Limited acquired 49% of paid-up equity capital of Alipurduar Transmission Limited (ALTL) with effect from 26th November, 2020 from Kalpataru Power Transmission Limited ("the Selling Shareholder") pursuant to Share Purchase Agreement ("SPA") dated 5th July, 2020. Adani Transmission Limited has finalised purchase consideration for acquisition of entire stake in ALTL and has entered into a binding agreement with the Selling Shareholder to acquire remaining 51% paid-up equity capital of ALTL from the Selling Shareholder. Considering the rights available to the Group under the SPA, the Group has concluded that it controls ALTL, accordingly the Group has consolidated ALTL, for the year ended 31st March, 2022.
6. In respect of MP Power Transmission Package-II Limited, MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited), Karur Transmission Limited and Khavda-Bhuj Transmission Limited, the statement of salient features of subsidiaries contains amount in respect of Turnover, Profit/(Loss) before Taxation, Provision for Taxation, Profit/(Loss) after Taxation and Proposed Dividend for the full financial year whereas in consolidated statement of profit and loss contains amount pertaining to the period after acquisition of control in these subsidiary companies.
7. Name of the Subsidiaries which are yet to commence operations

Sr. No.	Name of the Subsidiary
1	OBRA-C Badaun Transmission Limited*
2	North Karanpura Transco Limited*
3	WRSS XXI (A) Transco Limited
4	Lakadia Banaskantha Transco Limited
5	Jam Khambhaliya Transco Limited
6	Warora Kurnool Transmission Limited*
7	AEML Infrastructure Limited
8	Adani Electricity Mumbai Infra Limited
9	Karur Transmission Limited
10	Khavda-Bhuj Transmission Limited
11	Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited)
12	MP Power Transmission Package-II Limited

* Part Capacity Commissioned

Note: There are no associate companies or joint ventures companies within the meaning of Section 2(6) of the Companies Act, 2013. Hence, Part B relating to the same is not applicable.

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI	**RAJESH S. ADANI**	**ANIL SARDANA**	**ROHIT SONI**	**JALADHI SHUKLA**
Chairman	Director	Managing Director and Chief Executive Officer	Chief Financial Officer	Company Secretary
DIN: 00006273	DIN: 00006322	DIN: 00006867		

Date : 5th May, 2022

NOTICE

NOTICE is hereby given that the 9th Annual General Meeting ("AGM") of Adani Transmission Limited ("the Company") will be held on Wednesday, 27th July, 2022 at 11.00 a.m. through Video Conferencing / Other Audio Visual Means to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat.

ORDINARY BUSINESS

1. To receive, consider and adopt the –
    a. audited financial statements of the Company for the financial year ended on 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon; and
    b. audited consolidated financial statements of the Company for the financial year ended on 31st March, 2022 together with the report of Auditors thereon;
2. To appoint a Director in place of Mr. Gautam S. Adani (DIN: 00006273), who retires by rotation and being eligible offers himself for re-appointment.

    Explanation: Based on the terms of appointment, the Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mr. Gautam S. Adani, who has been a Director (Category – Executive) since 17th June, 2015 and whose office is liable to retire at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment.

    Therefore, the Members are requested to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Gautam S. Adani (DIN: 00006273), who retires by rotation, be and is hereby re-appointed as a Director."

SPECIAL BUSINESS

3. To consider, and, if thought fit, approve the appointment of Mrs. Lisa Caroline MacCallum (DIN: 09064230) as an Independent Director (Non-Executive) of the Company to hold office for first a term of consecutive three years upto 30th November, 2024 and to pass, with or without modification(s), the following resolution as a **Ordinary Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules framed thereunder, read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mrs. Lisa Caroline MacCallum (DIN: 09064230), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company to hold office for a first term of consecutive three years up to 30th November, 2024."
4. To consider, and, if thought fit, approve the material related party transactions entered into by the Company during the financial year 2021-22 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed with the Stock Exchanges, consent of the Members be and is hereby accorded for ratification / approval of material related party transaction(s) entered by the Company with **Adani Infra (India) Limited**, an entity under common control with the Company, during the financial year 2021-22, as per the details set out in the Explanatory Statement annexed to the notice convening this meeting.

    RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution."

5. To consider, and, if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company during the financial year 2022-23 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier/ arrangements/ transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Adani Enterprises Limited**, a related party of the Company, during the financial year 2022-23 as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

   RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard"

6. To consider, and, if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company during the financial year 2022-23 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier/ arrangements/ transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Adani Infra (India) Limited**, a related party of the Company, during the financial year 2022-23 as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

   RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard"

7. To consider, and, if thought fit, approve the material related party transaction(s) proposed to be entered into by the Company during the financial year 2022-23 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier/ arrangements/ transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Adani Properties Private Limited**, a related party of the Company, during the financial year 2022-23 as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard"

Date: 5th May, 2022
Place: Ahmedabad

For and on behalf of the Board
Adani Transmission Limited

Registered Office:
Adani Corporate House,
Shantigram,
Nr. Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad – 382 421
CIN : L40300GJ2013PLC077803

Jaladhi Shukla
Company Secretary
Membership No. FCS 5606

NOTES:

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispended the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 5th May, 2020 and Circular No. 02/2021 dated 13th January, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated 5th May 2022 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated 13th May, 2022 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 9th Annual General Meeting ("AGM") of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 18 and available at the Company's website www.adanitransmission.com.
2. The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM is 022-23058542/43.
3. Information regarding appointment/ reappointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 ("the Act") and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is annexed hereto.
4. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In line with the aforesaid Ministry of Corporate Affairs Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.adanitransmission.com The AGM Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com
7. The Register of members and share transfer books of the Company will remain closed from Wednesday, 20th July, 2022 to Wednesday, 27th July, 2022 (both days inclusive) for the purpose of AGM.
8. Members seeking any information with regard to accounts are requested to write to the Company atleast 10 days before the AGM so as to enable the management to keep the information ready.

9. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R&T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

10. In terms of Section 72 of the Act, nomination facility is available to individual shareholders holding shares in the physical form. The Members who are desirous of availing this facility, may kindly write to Company's R&T Agent for nomination form by quoting their folio number.

11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in this Notice will be available for inspection in electronic mode.

12. The Members can join the AGM through the VC/OAVM mode 15 (fifteen) minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the AGM Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

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13. Process and manner for members opting for voting through Electronic means:

i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020,13th January, 2021 14th December, 2021 and 5th May 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Wednesday, 20th July, 2022, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

iii. A person who has acquired the shares and has become a Member after the despatch of the Notice of the AGM and prior to the Cut-off date i.e. Wednesday, 20th July, 2022, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or venue voting system on the date of the AGM by following the procedure mentioned in this part.

iv. The remote e-voting will commence on Saturday, 23rd July, 2022 at 9.00 a.m. and will end on Tuesday, 26th July, 2022 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Wednesday, 20th July, 2022 may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

v. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.

vi. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Wednesday, 20th July, 2022.

vii. The Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparentmanner.

14. Process for those shareholders whose email ids are not registered:

a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to jaladhi.shukla@adani.com.

b) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to jaladhi.shukla@adani.com.

15. THE INSTRUCTIONS FOR SHAREHOLDRES FOR REMOTE VOTING ARE AS UNDER:

(i) The voting period begins on Saturday, 23rd July, 2022 at 9.00 a.m. and ends on Tuesday, 26th July, 2022 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 20th July, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/ EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on Shareholders.
3. Now Enter your User ID
    a. For CDSL: 16 digits beneficiary ID,
    b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN of the Company – ADANI TRANSMISSION LIMITED on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload Board Resolution/Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

16. The instructions for shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:-

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
3. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
4. If any Votes are cast by the Members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
5. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

17. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.adanitransmission.com and on the website of CDSL i.e. www.cdslindia.com within two days of the passing of the Resolutions at the 9th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

18. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at https://www.evotingindia.com under shareholders'/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. For ease of conduct, members who would like to ask questions may send their questions in advance atleast (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number at jaladhi.shukla@adani.com and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

Contact Details:

Company	:	Mr. Jaladhi Shukla Company Secretary and Compliance Officer Adani Transmission Limited Regd. Office: " Adani Corporate House", Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India CIN: L40300GJ2013PLC077803 | E-mail: jaladhi.shukla@adani.com
Registrar and Transfer Agent	:	M/s. Link Intime India Private Limited 5th Floor, 506-508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Off C. G. Road, Navrangpura, Ahmedabad – 380 009. Tel: +91-79-26465179 | Fax : +91-79-26465179 E-mail: ahmedabad@linkintime.co.in
e-Voting Agency	:	Central Depository Services (India) Limited E-mail: helpdesk.evoting@cdslindia.com Phone: 022- 22723333 / 8588
Scrutinizer	:	CS Chirag Shah Practising Company Secretary E-mail: pcschirag@gmail.com

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

For Item No.3:

The Board of Directors vide a circular resolution dated 30th November, 2021 appointed Mrs. Lisa Caroline MacCallum (DIN: 09064230) as an Additional Director (Non-Executive & Independent) of the Company. According to the provisions of Section 161 of the Act, she holds office as Additional Director only up to the date of this Annual General Meeting (AGM). As required under Section 160 of the Act, a notice has been received from a Member signifying its intention to propose the appointment of Mrs. Lisa Caroline MacCallum as a Director.

Mrs. Lisa Caroline MacCallum began her professional life in Accounting, Finance and Consulting with KPMG in Australia and the USA. She enjoyed a long career at NIKE Inc (2001-2014) based in the USA, serving on the executive leadership team in commercial and brand strategy roles and as Vice President of NIKE's Corporate Philanthropy and Global Community Investments. Prior to joining NIKE, Mrs. Lisa co-founded a Tokyo-based multi-media and executive education company, Business Breakthrough, Inc. She currently serves as an ESG Advisory Board member of KAO Corporation Japan and is an independent non-executive Director of Bond University Australia Limited and Seattle based employee experience company Limeade Limited.

Mrs. Lisa has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act and the SEBI Listing Regulations, as applicable. In the opinion of the Board, she fulfils the conditions specified in the Act read with the rules made thereunder for appointment as an Independent Director and she is independent of the management.

Mrs. Lisa is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Lisa as an Independent Director is now being placed before the Members for their approval.

The terms and conditions for appointment of Mrs. Lisa as an Independent Director of the Company shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Brief resume and other details of Mrs. Lisa Caroline MacCallum are provided in the annexure to this Notice pursuant to the provision of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Board recommends passing of the Ordinary Resolution as set out in Item no. 3 of this Notice, for approval by the Members of the Company.

Mrs. Lisa is deemed to be interested in the said resolution as it relates to her appointment.

None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the resolution, as set out in the Item No. 3 of this Notice.

For Item No. 4:

Pursuant to the provisions of Section 188 of the Act read with rules made thereunder and in terms of applicable provisions of the SEBI Listing Regulations, applicable as on 31st March, 2022, consent of members by way of an ordinary resolution is required for ratification / approval of material related party transactions entered into by a listed Company with related party, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. A transaction was considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity.

In financial year 2021-22, the related party transactions as mentioned below, in the aggregate, have crossed the applicable materiality threshold as mentioned above. Accordingly, as per the SEBI Listing Regulations, approval of the Members is being sought for ratification of all such arrangements / transactions undertaken by the Company, with the related party mentioned below. The transactions were in the ordinary course of business of the Company and on an arm's length basis.

(₹ in Crores)

Name of the Related Party	Nature of Relationship	Nature of transaction	Aggregate Transaction Value for the year ended March 31, 2022
Adani Infra (India) Ltd.	Entity under common control	Financial transactions & Distribution on Unsecured Perpetual Equity Instruments.	2,826.88

Background, details and benefits of the transaction

i. **With Distribution on Unsecured Perpetual Equity Instrument: (₹ 226.30 Crore)**

During the Financial Years 2017-18 & 2018-19, the Company had raised funds from Adani Infra (India) Limited (AIIL) in form of Unsecured Perpetual Equity Instruments (the "Instruments") issued by the Company, which were repayable at the option of the Company. The amount raised was used to support the acquisition of Adani Electricity Mumbai Limited's (AEML) business which is in the Gateway city/Financial Capital of India and is considered as a marquee asset for the Company's entry into retail electricity distribution business.

The distribution on part of these Instruments, i.e. ₹ 226.30 Crore is compounded annually.

ii. **Financial transactions in nature of group support: (₹ 2,600.58 Crore)**

This amount represents the financial assistance (on a gross basis) secured by the Company from Adani Infra (India) Limited (AIIL), to fulfil the Company's objective to achieve 30,000 ckm transmission assets and create distribution network of 4.5 MVA per customer by 2026, through prioritizing efficient project development, operations and capital management, in an organic and/or inorganic manner, without compromising its financials and risk appetite. For achieving its expansion goals, the Company participates in various bids/tenders for setting up of transmission projects through its Special Purpose Vehicles (SPVs), which are generally wholly owned subsidiaries of the Company. The Company supports these SPVs to meet equity requirement of the under-construction projects till the said projects stabilise their operation and generate revenue. During FY 2021-22, the Company took financial assistance from AIIL to carry out financial closures of SPVs within shortest time spans and on flexible repayment terms, which will enable the SPVs to ramp-up the operations which, in turn, will benefit the Company in its growth strategy.

The average rate of borrowing for the Company was ~9.2% p.a. In turn, the Company provided required financial assistance to its SPVs at an interest rate which was nominally higher than its average rate of borrowing. In some cases, the lenders of the financial facility to the SPVs provided for a condition related to maximum rate of interest on the unsecured loan being given by the Company to SPVs, and in these cases, the rate of interest was kept in line with the sanctioned conditions.

The said related party transactions were reviewed and approved by the Audit Committee of the Company.

The Board recommends passing of the Ordinary Resolution as set out in Item no. 4 of this Notice, for approval by the Members of the Company.

Mr. Gautam S. Adani and Mr. Rajesh S. Adani and their relatives are deemed to be concerned or interested in this resolution. None of the other Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, except to the extent of their shareholding in the Company, if any, in the proposed Ordinary Resolution, as set out in Item no. 4 of this Notice.

For Item Nos. 5, 6 & 7:

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. Effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower. Further, in accordance with the said regulation, a related party transaction that has been approved by the audit committee prior to April 1, 2022 which continues beyond such date and becomes material as per the revised materiality threshold shall be placed before the shareholders in the first General Meeting held after April 1, 2022.

In the financial year 2022-23, the Company, along with its subsidiary(ies), propose to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions proposed to be undertaken by the Company, either directly or along with its subsidiary(ies). All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, at its meeting held on February 3, 2022, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Your Board of Directors considered the same and recommends passing of the resolutions contained in Item Nos. 5, 6 & 7 of this Notice.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated 22nd November 2021 is provided herein below:

A. Resolution Item No. 5 : Particulars of material related party transactions to be entered by Adani Electricity Mumbai Limited, a subsidiary of the Company (AEML)

Sr. Nr.	Particulars	Details
i.	Name of the Related Party	Adani Enterprises Limited (AEL)
ii.	Type of transaction	The transaction involves purchase of power, purchase of coal, rendering of service, receipt of service and other transactions for business purpose from/to AEL during FY 2022-23.
iii.	Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates based on prevailing/ extant market conditions and commercial terms as on the date of entering into the contract(s).
iv.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	AEL is an entity under common control with the Company.
v.	Tenure of the proposed transaction	During the financial year 2022-23
vi.	Value of the proposed transaction	Not to exceed ₹ 2,500 crore.
vii.	Value of RPT as % of –	
	▸ Company's audited consolidated annual turnover of ₹ 11,258 Crores for the FY 22.	Approx. 22%.
	▸ Subsidiary's annual standalone turnover of ₹ 7,591 Crores for the FY 22.	Approx. 33%.
viii.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	(i) Details of financial indebtedness Incurred	Not Applicable
	(ii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable

Sr. Nr.	Particulars	Details
	(iii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	Not Applicable
ix.	Justification as to why the RPT is in the interest of the Company.	AEML, a subsidiary of the Company, is an electricity distribution company providing electricity to ~ 3 million consumers in Mumbai and is instrumental in the Company's goal to emerge among the largest power distribution businesses in India's private sector across the following platforms: superior service, rich experience, proactive technology investments, operational excellence, prudent capital management programme and renewable energy. As part of the Company's business strategy, AEML propose to enter into the various transactions with AEL including purchasing of power/coal and rendering and availing of services forming part of business strategy. These transactions not only smoothen business operations for both the companies, but also ensures consistent flow of desired quality and quantity of power to the end consumers, without interruptions. The dealings between AEML and AEL also bring greater efficiency, synergies of centralization, cost reduction and operational simplification. All the transactions shall be in the ordinary course of business of the Company and on an arm's length basis.
x.	Copy of the valuation or other external party report, if any such report has been relied upon.	Not Applicable
xi.	Any other information relevant or important for the members to take a decision on the proposed transaction.	None

B. Resolution Item No. 6 : Particulars of material related party transactions to be entered by the Company and/or its wholly owned subsidiaries with Adani Infra (India) Limited.

Sr. Nr.	Particulars	Details
i.	Name of the Related Party	Adani Infra (India) Limited (AIIL)
ii.	Type of transaction	Repayment of Unsecured Perpetual Equity Instrument along with Distribution on Unsecured Perpetual Equity Instrument; providing/taking financial assistance in the form of revolving interest bearing inter corporate deposit(s)/loans, in one or more tranches.
iii.	Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates based on prevailing/extant market conditions and commercial terms as on the date of entering into the contract(s).
iv.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	AIIL is an entity under common control with the Company.
v.	Tenure of the proposed transaction	During the financial year 2022-23
vi.	Value of the proposed transaction	Up to ₹ 5,200 crore.

Sr. Nr.	Particulars	Details
vii.	Value of RPT as % of Company's audited consolidated annual turnover of ₹ 11,258 Crores for the FY 22.	Approx. 46%.
viii.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	The Company and/or its wholly owned subsidiaries propose to provide Inter Corporate Deposit(s) to AIIL in multiple tranches from its internal accruals.
	(i) Details of financial indebtedness Incurred.	Not Applicable
	(ii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Repayment of Inter Corporate Deposit(s) will be over a period of three years from date of disbursement; however, the borrower will have the right to make pre-payment without any pre-payment penalty during the tenure of Inter Corporate Deposit(s) Interest would be charged at appropriate market rate; however, the pricing may change in case of any movement in credit profile of AIIL. The Inter Corporate Deposit(s) would be under unsecured category.
	(iii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	The funds will be utilised by AIIL for its business expansion, its working capital requirements and other business purposes.
ix.	Justification as to why the RPT is in the interest of the Company.	Please refer "Background, details and benefits of the transactions" appended below.
x.	Copy of the valuation or other external party report, if any such report has been relied upon.	Not Applicable
xi	Any other information relevant or important for the members to take a decision on the proposed transaction.	None

Background, details and benefits of the transaction

(i) Repayment of Unsecured Perpetual Equity Instrument along with Distribution on Unsecured Perpetual Equity Instrument up to ₹ 3,100 Crore.

As mentioned in the explanatory statement for Item no 4 above, in 2017-18 & 2018-19, the Company had raised funds from AIIL in form of Unsecured Perpetual Equity Instruments (the "Instruments") issued by the Company. These Instruments are repayable at the option of the Company. The amount raised was used to support the acquisition of Adani Electricity Mumbai Limited's (AEML) business which is in the Gateway city/Financial Capital of India and is considered as a marquee asset for the Company's entry into retail electricity distribution business. The obligation of the Company to repay the outstanding amounts against these Instruments, rank pari passu with the obligations of the Company to make payments/ distributions in relation to any parity securities issued/ to be issued by the Company and is senior to the obligations of the Company to make payments/distributions in relation to preference and equity share capital and any other securities at par with preference and equity share capital of the Company. The principal amount of these Instruments, along with carrying/distribution costs, was payable only from the equity sum to be mobilised by the Company, anytime in future.

Subsequent to 31st March 2022, the Company has raised ₹3,850 crore, through preferential allotment of equity shares to Green Transmission Investment Holding RSC Limited, Abu Dhabi. Utilizing this money the Company proposes to settle the said Instruments (along with accrued distribution on them) amounting to approx. ₹ 3,100 Crore during the FY 2022-23.

(ii) Financial assistance in nature of Inter corporate deposits of revolving nature, not exceeding ₹ 2,100 Crore, in one or more tranches.

As explained in item no. 4 above, the Company addresses the vast headroom in India's transmission sector, with the objective to achieve 30,000 ckm transmission assets and create distribution network of 4.5 MVA per customer by 2026. The Company participates in various bids/tenders for setting up of transmission projects through its special purpose vehicles (SPVs), which are generally the wholly owned subsidiaries of the Company. To support the said SPVs, ATL and/or its wholly owned subsidiaries would require group financial assistance from AIIL, from time to time, for the under-construction projects till the projects get stabilised and generate revenue. This financial assistance would enable ATL and/or its wholly owned subsidiaries to carry out financial closures of SPVs in short time spans and flexible repayment terms, which would help the SPVs to ramp-up their operations which, in turn, will benefit the Company's growth strategy.

As per prevailing market norms, the average rate of borrowing for the Company is ~9.2% p.a. The Company will provide financial assistance to its SPVs at an interest rate nominally higher than the average rate of borrowing of the Company at the time of providing such loan. In some cases, the lenders of the financial facility to such SPVs may provide for a covenant capping the maximum rate of interest on the group financial support secured from the Company by such SPVs, in which case, the rate of interest may be slightly lower than the average rate of the borrowing by the Company.

Similarly, the Company and/or its wholly owned subsidiaries may, from their internal accrual and in normal course of business, provide ICDs of revolving nature to AIIL in multiple tranches & multiple times, spread over FY 2022-23. Appropriate market rate of interest will be charged by the Company and/or its wholly owned subsidiaries.

C. Resolution Item No. 7 : Particulars of material related party transactions to be entered by the Company and/or its wholly owned subsidiaries with Adani Properties Private Limited (APPL).

Sr. Nr.	Particulars	Details
i.	Name of the Related Party	Adani Properties Private Limited (APPL)
ii.	Type of transaction	Providing/taking financial assistance in the form of revolving interest bearing inter corporate deposit(s)/loans, in one or more tranches,
iii.	Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates which are based on prevailing / extant market conditions and commercial terms as on the date of entering the contract(s).
iv.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	APPL is an entity under common control with the Company.
v.	Tenure of the proposed transaction	During the financial year 2022-23
vi.	Value of the proposed transaction	Not to exceed ₹ 2,900 Crore.
vii.	Value of RPT as % of Company's audited consolidated annual turnover of ₹ 11,258 Crores for the FY 22.	Approx. 26%.
viii.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	The Company and/or its wholly owned subsidiaries propose to provide Inter Corporate Deposit(s) to APPL in multiple tranches from its internal accruals.
	(i) Details of financial indebtedness Incurred.	Not Applicable

Sr. Nr.	Particulars	Details
	(ii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Repayment of Inter Corporate Deposit(s) will be over a period of three years from date of disbursement; however, borrower will have the right to make pre-payment without any pre-payment penalty during the tenure of Inter Corporate Deposit(s) Interest would be charged at appropriate market rate; however, the pricing may change in case of any movement in credit profile of APPL. The Inter Corporate Deposit(s) are under unsecured category.
	(iii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	The funds will be utilised by APPL for its business expansion, its working capital requirement and other business purpose over period of loan.
ix.	Justification as to why the RPT is in the interest of the Company.	Please refer "Background, details and benefits of the transactions" appended below.
x.	Copy of the valuation or other external party report, if any such report has been relied upon.	Not Applicable
xi.	Any other information relevant or important for the members to take a decision on the proposed transaction.	None

Financial assistance in nature of Inter corporate deposits of revolving nature, not exceeding ₹ 2,900 Crore, in one or more tranches

As mentioned in the explanatory statement for Item No. 4 above, the Company addresses the vast headroom in India's transmission sector, with the objective achieve 30,000 ckm transmission assets and create distribution network of 4.5 MVA per customer by 2026. The Company participates in various bids/tenders for setting up of transmission projects through its Special Purpose Vehicles (SPVs), which are generally the wholly owned subsidiaries of the Company. To support the said SPVs, the Company and/or its wholly owned subsidiaries would require group financial assistance from APPL, from time to time, for the under-construction projects till projects are stabilised and generate revenue. This financial assistance would enable ATL and/or its wholly owned subsidiaries to carry out financial closures of SPVs in short time spans and flexible repayment terms, which would help the SPVs to ramp-up their operations which in turn will benefit the Company's growth strategy.

As per prevailing market norms, the average rate of borrowing for the Company is ~9.2% p.a. The Company will provide financial assistance to its SPVs at an interest rate nominally higher than the average rate of borrowing of the Company at the time of providing such loan. In some cases, the lenders of the financial facility to such SPVs may provide for a covenant capping the maximum rate of interest on the group financial support secured from the Company by such SPVs, in which case, the rate of interest may be slightly lower than the average rate of the borrowing by the Company.

Similarly, the Company and/or its wholly owned subsidiaries may from their internal accrual and in normal course of business, provide ICDs of revolving nature to APPL in multiple tranches & multiple times, spread over FY 2022-23. Appropriate market rate of interest will be charged by the Company and/or its wholly owned subsidiaries.

As per the SEBI Listing Regulations, all related parties of the Company, whether or not a party to the proposed transaction(s), shall abstain from voting on the said resolution.

The Board recommends passing of the Ordinary Resolutions as set out in Item nos. 5,6 & 7 of this Notice, for approval by the Members of the Company.

Mr. Gautam S. Adani and Mr. Rajesh S. Adani and their relatives are deemed to be concerned or interested in these resolutions. None of other the Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, except to the extent of their shareholding in the Company, if any, in the proposed Ordinary Resolution, as set out in Item no. 5,6 & 7 of this Notice.

Date: 5th May, 2022
Place: Ahmedabad

For and on behalf of the Board
Adani Transmission Limited

Registered Office:
Adani Corporate House,
Shantigram,
Nr. Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad – 382 421
CIN : L40300GJ2013PLC077803

Jaladhi Shukla
Company Secretary
Membership No. FCS 5606

ANNEXURE TO NOTICE

Particulars of Directors seeking Appointment / Re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional area	Name of the companies in which he holds directorship as on 31st March, 2022	Name of committees in which he holds membership/ chairmanship as on 31st March, 2022
Mr. Gautam S. Adani (DIN: 00006273)	60 Years 24.06.1962 (Note 1)	S. Y. B.Com.	Gautam Adani is the Chairman and Founder of the Adani Group. Under his leadership, Adani Group has emerged as a global integrated infrastructure player with interest across Resources, Logistics and Energy verticals. His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones with speed and scale but also resulted in the creation of a robust business model which is contributing towards building sound infrastructure in India.	• Adani Transmission Limited^^ • Adani Power Limited^^ • Adani Enterprises Limited^^ • Adani Ports and Special Economic Zone Limited^^ • Adani Total Gas Limited^^ • Adani Green Energy Limited^^ • Adani Institute for Education and Research • Adani Tradeline LLP • Adani Medicity And Research Center • Adani Institute for Education and Research • Karansagar Corporation	--

^^Listed Companies.

Note 1 - Mr. Gautam S. Adani & Rajesh S. Adani (on behalf of S.B. Adani Family Trust) and Mr. Gautam S. Adani & Mrs. Priti G. Adani (on behalf of Gautam S. Adani Family Trust) hold 62,11,97,910 and 88,36,750 Equity Shares of the Company, respectively. Mr. Gautam S. Adani hold 1 (one) Equity Share of the Company in his individual capacity.

ANNEXURE TO NOTICE

Particulars of Directors seeking Appointment / Re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional area	Name of the companies in which she holds directorship as on 31st March, 2022	Name of committees in which she holds membership / chairmanship as on 31st March, 2022
Mrs. Lisa Caroline MacCallum (DIN: 09064230)	50 Years 10.04.1972 (Nil)	Post- Graduate: Bachelor of Commerce (accounting, finance, international business) Bachelor of Arts: Communications and Japanese	Mrs. Lisa MacCallum began her professional life in Accounting, Finance and Consulting with KPMG In Australia and the USA. She enjoyed a long career at NIKE Inc (2001-2014) based in the USA, serving on the executive leadership team in commercial and brand strategy roles and as Vice President of NIKE's Corporate Philanthropy and Global Community Investments. Prior to joining NIKE, Mrs. MacCallum co-founded a Tokyo-based multi-media and executive education company, Business Breakthrough, Inc. She currently serves as an ESG Advisory Board member of KAO Corporation Japan and is an independent non-executive Director of Bond University Australia Limited and Seattle based employee experience company Limeade Limited. Lisa joins the Company's board with extensive multi-sector, international alliance building experience and purposeful business leadership. The World Economic Forum Young Global Leader alumni is a Global Ambassador for World Benchmarking Alliance for the United Nations Sustainable Development Goals and a Meaningful Business Leadership 100 awardee. She also completed a full term independent directorship on British Telecom PLC's Corporate Sustainability and Responsibility Board Committee 2015 to 2019.	• Adani Transmission Limited^^	--

^^Listed Company.

Notes

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info@trisyscom.com

adani

Transmission